

The NATIONAL UNDERWRITER

Life Insurance Edition



*W. J. Olive
completes 50 years*

Mr. F. J. O'Brien, Vice President
Franklin Life Insurance Company
Springfield, Illinois

Holland, Michigan
July 1, 1953

Dear O'B:

Fifty years may seem a long time devoted to selling life insurance, all for the Franklin Life Insurance Company and all in one locality. But I have enjoyed it, in fact I would rather sell than eat. I have been particularly happy during the last thirteen years in the work with my friend President Becker, and his associates. Few companies have presidents who have carried rate books and who know how to talk the language of the field men. He has been very generous with his help and he gives the men in the field credit for our wonderful growth.

When I first came with the Company in July, 1903, we made a special effort to sell a million a year but now we sell that much in a day. That's because we have something wonderful to sell, especially our four exclusive contracts. Ninety per cent of my business is written on our special plans. Again thanks to the management. Furthermore, the Company is selling in so many more states and is so much better known and is growing so fast, that it is much easier to sell. I have sold more business between the ages of sixty-five and seventy-five than during the previous ten years.

Looking back over fifty years, I can truthfully say that those were the horse and buggy days. I would hire a horse and drive out into the country for several days. I also rode a bicycle when weather was good. In the winter I walked. Frequently I encountered people who had religious objections to life insurance.

I'm proud of our renewal rate, (consistently better than 90%) and I'm proud that I never wrote a policy in another company. Our Company has paid millions to the people of this community—and all of them are my friends.

I wish I could live it all over, for the next fifty years
—with the friendly Franklin, of course.

W. J. Olive



The Friendly

FRANKLIN LIFE INSURANCE COMPANY

CHAS. E. BECKER, PRESIDENT SPRINGFIELD, ILLINOIS
DISTINGUISHED SERVICE SINCE 1884

One of the 15 Oldest Stock Legal Reserve Life Companies in America

Over a Billion Three Hundred Fifty Million Dollars of Insurance in Force

FRIDAY, JULY 3, 1953

"If I had it to do all over again..."

*By J. L. W.
Equitable Representative*

Jim and Mollie Williams invited me to their mortgage-burning party last week. Made me feel good to know I'd helped them find the key to happiness years before they thought they would.

I GUESS EVERYBODY pushing 50 sits and wonders what his life might have been like if he'd gone into some other kind of work. As for me, I'd still want to be an insurance man.

Enough money for your own family is one measure of success. But helping other people along the road of life is equally satisfying. I've been successful both ways. I've managed to make a good living for my family, but I'm just as happy over giving other families greater security and more peace of mind.

Take Jim and Mollie Williams. Years ago I showed them how they could finance a home of their own through the Equitable Society's Assured Home Ownership Plan — how it protected them

against the two greatest threats to home ownership — death and hard times. I've written a lot of those Home Ownership plans, and I'm proud that not one policy holder of mine has ever had a foreclosure on his or her home.

All in all, selling insurance is a mighty satisfying way of life. It's a job that protects all kinds of people from a lot of hard knocks. Gives kids good educations. Keeps families together. Helps old folks be independent and self-respecting.

If I had it to do all over again, I'd want to be an Equitable man. I'm proud of the respect that's come to me as a member of an honorable profession and as a representative of an institution as fine as The Equitable Society.



One of a series of advertisements illustrating how a representative of The Equitable Life Assurance Society serves his community by selling life insurance.



393 Seventh Avenue, New York 1, N. Y.

The NATIONAL UNDERWRITER

The National Weekly Newspaper of Life Insurance

57th Year, No. 27
July 3, 1953

A. & H. Agents Mark Record Year; Elect Callahan at Chicago Rally

By JOHN C. BURRIDGE

Celebrating its most successful year, International Assn. of A. & H. Underwriters had a crowd in excess of 400 on hand for its annual convention at Chicago this week. The association in the last 12 months had a membership gain of more than 1,000, and its finances, a source of worry in the past, are in good shape.

The 2½-day program had 88 persons listed to appear in one capacity or another, but even this overwhelming number of speakers (most of whom participated in panel discussions) had a large and interested audience for every session.

A number of company and trade association leaders during their turn at bat took occasion to comment that the A. & H. agents have now developed a sound organization, working for and with the rest of the industry, and able to participate helpfully in affairs.

At the executive board meeting over the weekend it was decided to hold the 1954 convention at Omaha.

Thomas Callahan, Time of Milwaukee, was elevated from vice-president to president, and the two new vice-presidents are Clifford E. McDonald, agency director (civilian) of International Fidelity of Dallas, and Leonard McKinnon, McKinnon & Mooney, Flint, Mich. Jay DeYoung, DeYoung Associates, Chicago, was reelected controller, and William G. Coursey is managing director. John G. Galloway, Provident Life & Accident, Birmingham, Ala., the retiring president, becomes chairman of the board, replacing Carl Ernst, North American Life & Casualty, St. Paul.

The new board members include Oakley Baskin, Mutual Benefit H. & A., Buffalo; Howard Nevonen, Washington National, Los Angeles; John Dugan, General American Life, St. Louis; Robert Myers, Massachusetts Protective, Cincinnati; Eugene Ebersol, North American Life & Casualty, Milwaukee; Charles Breslin, Craftsman, Boston; Spafford Orwig, Orwig agency, Indianapolis, and Louis Halley, Security Life & Accident, Denver.

Mr. Callahan served as one of the two vice-presidents last year with the late Bert Hedges, Business Men's Assurance, Wichita. The association decided in 1952 to improve its supply of potential leaders by having two v-p's. Mr. Callahan also was chairman of the Leading Producers Round Table.

Insurance Director Robert E. Barrett of Illinois set the A. & H. people back in their chairs with his remarks in opening the convention. After starting off his "message" in the time-honored fashion, he got around to reciting, without mentioning names, the achievements of the domestic insurance companies and said the "most colorful insurance story," one worthy of newspaper headlines, is that of Alfred and John MacArthur. (Alfred MacArthur is president of Central Standard Life of Chicago, and his brother

John is president of Bankers Life & Casualty of Chicago.)

"John MacArthur has left Alfred at the post," Mr. Barrett remarked, asking: "On what pork chops does this Caesar feed that he hath grown so big?" Mr. Barrett went on to observe that Bankers L. & C. has a goal of \$100 million in premiums for 1953.

The Illinois insurance code in many respects is more stringent than that of New York, Mr. Barrett vouchsafed. However, he said the theory of regulation in Illinois is company self-regulation. His department will maintain an "open door" policy, he declared, and the small companies will get an even break.

Mayor Kennelly of Chicago was scheduled to welcome the delegates Monday morning, but could not make it until the luncheon. He was introduced by Leo D. Cavanaugh, president of Federal Life of Chicago.

The agents' association ran into a totally unexpected situation at the luncheon Tuesday when W. Clement Stone, president of Combined of Chicago, surprised the audience by taking the time for his introduction of Dr. Napoleon Hill to launch a violent tirade against Commissioner Maloney of California and the California department. Mr. Stone and one of his companies, Hearthstone of Massachusetts, have been charged by California with misrepresentation and fraud in A. & H. sales. Mr. Stone said he had received permission from Dr. Hill to take up some of his speaking time, but it was evident that the association officers had not been forewarned.

After he had concluded, Mr. Stone said he would leave it up to the agents as to whether he was justified in speaking as he did, and immediately Irving G. Wessman, Loyalty group, co-chairman of the convention, declared

(CONTINUED ON PAGE 14)

WOULD SETTLE FOR LESS

Philadelphia Opposes \$2 Rise in N.A.L.U. Dues

PHILADELPHIA—The Philadelphia Assn. of Life Underwriters has adopted a resolution opposing the proposed increase in the National association dues from \$4 to \$6 a year, although conceding that "some increase in N.A.L.U. revenue may be immediately in order."

The resolution states that the \$2 increase is "neither necessary nor advisable" and directs that the proposal "be vigorously opposed by Philadelphia's representatives in the N.A.L.U. national council." It directs that Philadelphia's position regarding such lesser

LATE NEWS ON PAGE 20

dues increase as may be necessary or advisable be determined by its representatives on the basis of developments at the Cleveland convention and the following specific points are set forth in the resolution:

1. The caption, "Important—Please Read Carefully—The Future of N.A.L.U. is at Stake," on the streamer folded across the cover of the pamphlet, *Facts and Figures*, seems unfortunate. N.A.L.U. faces no emergency.

2. If there are continuing, week-in, week-out needs for an actuary, *Facts and Figures* does not list them.

3. Federal law and legislation are definitely National association responsibilities but with the possible exception of New York, legislative matters in the various states should be handled by the state associations concerned. For many years they have been successfully so handled in Pennsylvania and incidentally, this is the primary reason why the Philadelphia pays the Pennsylvania association \$2.50 per year per member.

4. The same reasoning applies to local association development. Again the problem is one for handling at

(CONTINUED ON PAGE 19)

Elect Bearden New M.D.R.T. Chairman, Byrnes Next in Line

Importance of Protecting Executives with Restricted Stock Options Stressed

By ROBERT B. MITCHELL

WHITE SULPHUR SPRINGS—The increasing popularity of restricted options as a tax-sheltered means of adding to the compensation of highly paid executives opens up a large market for the sale of life insurance to cover the risk that the executive will die before exercising the option, thereby forcing his heirs to come up with the purchase price within three months or else forfeit the right to buy the stock.

This was brought out in a colloquy between John O. Todd, Northwestern



William T. Earls



G. Nolan Bearden

Mutual, Chicago, and V. Henry Rothschild, II, New York City attorney, at the Tuesday morning session on deferred compensation plans at the annual meeting of the Million Dollar Round Table.

There were 530 members on hand, nearly 100 above the previous high.

William T. Earls, Mutual Benefit Life, Cincinnati, M.D.R.T. chairman,

OFFICERS ELECTED

Chairman—G. Nolan Bearden, New England Mutual, Beverly Hills, Cal.

Vice-chairman—George B. Byrnes, Equitable Society, Pasadena.

Members of executive committee—Arthur F. Priebe, Penn Mutual, Rockford Ill., and John Kellam, National Life of Vermont, New Canaan, Conn.

Immediate past chairman—William T. Earls, Mutual Benefit Life, Cincinnati.

Place of next meeting—Hotel Del Coronado, Coronado Cal., in June.



Luminaries at Chicago meeting of A. & H. agents: John Galloway, Provident L. & A., Birmingham, retiring president; W. G. Coursey, managing director, and the newly elected president, Thomas Callahan of Time of Milwaukee.

opened the session. A. J. Ostheimer, Northwestern Mutual, Philadelphia, took over as chairman of the deferred compensation panel and also acted as pinch-hitter for K. R. Mackenzie, New England Mutual, Boston, who could not be present.

What makes the insurance protection so important for executives having restricted stock options is that the option to buy must be exercised within three months after termination of service. Even if the man's estate can raise the cash eventually it may not

(CONTINUED ON PAGE 19)

Aetna Life Regionnaires Hear Reports on Late Life Insurance Developments

Members of the Corps of Regionnaires of Aetna Life, national honorary organization of the company's top producers, assembled at Whiteface, N. Y., in June for the first three of the four Regionnaire conferences, marking the organization's silver jubilee, which coincided with the company's centennial observance.

A fourth Regionnaire meeting covering the western section of the country will be held July 6-9 at Banff Springs hotel in Alberta, Canada.

Six officials from the home office and 13 agents took leading roles in the business sessions, at which reports were presented on the latest life insurance developments.

The first business session was opened by Donald E. Hanson, director of agencies, who honored members of the Old Guard agents who have qualified as Regionnaires each of the 25 years since the organization was founded. They were Harry Feldman, Pittsburgh; E. L. McCutcheon, Hartford; E. G. Schmitt, New Haven; H. G. Robbins, Philadelphia; A. W. Young, Fort Wayne; A. E. Hicks, Joliet, Ill.; Rudolph LeBoy, Chicago; T. M. Miller, Del Rio, Tex., and H. C. Fisher, Washington, D. C.

In reviewing "Our First Hundred Years," Vice-president R. B. Coolidge emphasized the strength, stability and integrity which Aetna Life had established and proven over the last century, and told the Regionnaires that "you cannot do justice to your high calling without a deep sense of pride in the company that stands back of you and back of the plans you are selling."

Whether the company in the coming years grows old, or remains young, ambitious and aggressive depends primarily upon the agency department and the field organization, Mr. Coolidge declared. He predicted a much greater development in the pension trusts and estate analysis fields, but warned that great as the possibilities were in these lines they could not be pursued "to even the slightest neglect" of estate control and business insurance activities.

David P. Faxon, Camden, N. J., told the Regionnaires that to get into really big production they almost have to pursue business life insurance work. Emphasizing the necessity for having first-hand knowledge of a client's requirements, he said "it makes little sense to go to an interview without knowing in advance what my prospect will be interested in and what he is prepared to pay for insurance protection."

John Fisher, renowned Canadian radio commentator, was a guest speaker.

An innovation in the programs was the series of panel discussions, conducted by E. H. Snow, Roe A. Maier and Arwood Henderson, superintendents of agencies, and D. S. Connell, field supervisor, on pension trust programs, business life insurance, personal sales and estate analysis.

Opportunities in the accident insurance field were discussed by Jackson G. Fields, Birmingham, Ala., and C. L. O'Quinn, Laurel, Miss. The tremendous potential of the group insurance field was emphasized in talks by Howard R. Grimes, group supervisor at Boston; Ernest L. McCutcheon, Hartford, and Henry J. O'Keefe, Buffalo.

The important role of the agent in

providing for the future security of American families was underscored by Superintendent of Agencies Henderson, who said that "problems have become too involved and the margin between income and living costs too small to allow for the mistakes made when men just buy life insurance." Agents have a tremendous opportunity and a real obligation to develop life insurance programs that provide "an adequate family security shelter."

Andre Chaput, Montreal, described his entry into the life insurance business as the threshold of advancement.

A highlight of the second meeting was a panel discussion on timely ideas presented by five members of the John A. Hill & Associates general agency at Toledo, all of whom were among the company's first 50 production leaders last year. Participating were W. H. Mauk, who served as chairman; A. L. Zepf, Floyd Weber, A. S. Foreman and W. G. Adams.

The first woman ever to address a Regionnaire meeting and the wife of the leading producer of the company's Dallas agency, Mrs. Charles E. Edwards, Gainesville, Tex., described her husband's work as a career of service to the public. "Very early in my husband's career I discovered that if I was to play a successful part in his partnership," Mrs. Edwards stated, "I must have a general knowledge of the business." This had enabled her to become enthusiastic and sincere about the work in which her husband was engaged, she said.

Two agents from Shreveport, La., L. E. Lenard and Ben Sour, both of whom were graduated from the company's basic training school last June, described the remarkable records they had achieved their first year in the business.

General agents who served as chairmen at the business sessions were R. E. Goewey, Springfield, Mass.; J. P. Graham, Jr., Baltimore; S. G. Carson, Toledo; H. A. Maddox, Atlanta; W. W. Smith, St. Louis, and J. E. Holt, Houston.

Treasury Interprets \$5,000 Exemption for Employee's Beneficiary

Treasury regulation 6020 has been issued as the final revision of the proposal the department put out last November, to which Life Insurance Assn. of America, American Life Convention and National Assn. of Life Underwriters filed a memorandum in December asking for certain changes.

The regulation interprets the exemption from gross income of deceased's beneficiary of up to \$5,000 paid by employers, which was new in the revenue act of 1951.

In their memorandum the life associations objected to the language in subparagraph B of the proposed regulation which specifically enumerated welfare funds and trusts, to the possible construction that other types of indirect payments by employers through third parties are not entitled to the new exemption.

The life people pointed out that as written the regulation was ambiguous but could be clarified by stating that the limitation is confined to payment by employer, or, if there was to be specific enumeration, by adding the term life insurance. The life people thought implication could be drawn

that the direct payor may not be an insurer, disbursing contractual death benefits to employee's beneficiary under a non-trusted pension plan written by the insurer.

The regulation in final form was not changed on this point.

However, a more serious objection by the associations was partially met by the Treasury in its change of language in subparagraph D, the original proposal of which could have been interpreted as denying the benefit of the new exemption to some trusted pension plans underwritten by insurers. The associations' memorandum explained that many insurers underwrite pensions by utilizing the annuity options of individual life policies. In such cases, Treasury interpretation construes any death benefit prior to employee's retirement as taxable to beneficiary to the extent of the reserve under the policy immediately prior to death. The proposed regulation stipulated that any death benefit exempted by it must be "in an amount determined without reference to any such reserve." This language was eliminated in the final regulation.

This seems to take care of individual pensions, though the effect on group pensions has not yet been determined.

Insurance Counsel Elect J. A. Gooch

International Assn. of Insurance Counsel meeting at Quebec this week elected J. A. Gooch of Fort Worth as its new president. The president-elect is Stanley C. Morris, Charleston, W. Va., and the vice-presidents are Robert L. Earnest, West Palm Beach, and William H. Hoffstot, Jr., Kansas City. John A. Kluwin, Milwaukee, is secretary, and Charles E. Lederer, Jr., Washington, is treasurer.

Named to the executive committee were Forrest A. Betts, Los Angeles; L. Denman Moody, Houston, and J. Mearl Sweitzer, Wausau, Wis.

Ernst Now Agency Director of Guaranty Union, Cal.

Guaranty Union Life of California has advanced William R. Ernst from agency secretary to director of agencies. He will have full charge of promotion of sales of both the ordinary life and commercial A. & H. departments.

Mr. Ernst's entire business career has been with Guaranty Union. A naval veteran, he joined the company in 1946 and since has served as an agent and in various home office departments.

Review Revitalized Union Mutual, Maine, Progress at Leading Producers Conclave

Union Mutual Life of Portland held an agency conference at York Harbor, Me., this week attended by qualifying agents, general agents and members of the home office staff. Many were accompanied by their wives, making a group of 300. The last gathering of this nature was two years ago.

During the past decade, Union Mutual has carried on a program of expansion and development that has produced these significant results: It is licensed in 46 states, Hawaii and Puerto Rico;



Rolland E. Irish



Kenneth L. Anderson

to Rico; it has passed \$400 million of life insurance in force, will write over \$100 million this year, and have over half a million in force by this time next year. In addition, it is a substantial writer of A. & H. and group. So far it is 23% ahead of 1952.

These achievements have been recorded under the administration of President Rolland E. Irish, through whose personality and vigor the 105-year old New England company has "come alive," and assumed a position of importance in the industry. The operating policies instituted by Mr. Irish have modernized and streamlined the company throughout. The York Harbor meeting took the form of a celebration of the accomplishments of America's ninth oldest legal reserve life company.

Vice-president and Manager of Agencies Kenneth L. Anderson was convention chairman. President Irish

welcomed the conventioneers at the opening luncheon Monday and tendered the April contest qualifiers a theater party at Ogunquit in the evening. At the opening business session Vice-president Anderson presented awards to the 19 biggest producing agents and the heads of six agencies that were contest winners. National quality awards were also given by Mr. Anderson to 16 Union Mutual men who had earned that distinction for from one to nine years.

John R. Carnochan, vice-president, outlined Union Mutual's operating philosophy in a talk entitled "These Things We Believe." At the dinner of the Distinguished Service Club, the company's 27 top producers and their wives were honored. Howard J. Burridge, THE NATIONAL UNDERWRITER, was the banquet speaker.

The Wednesday business session constituted a review of Union Mutual's products. Life policies were discussed by B. Richard Markham, director of training. Vice-president Alfred W. Perkins presented the disability contracts; Robert C. Russ, vice-president in charge of group sales, spoke on group, and Michael J. Denda, resident vice-president at New York, had as his topic "Let's Look at All Three."

A. Gordon Nairn, Canadian director of agencies of Prudential, was the speaker at the President's Dinner which in addition to the convention group was attended by 50 of Portland's business executives and their wives. The conference was brought to an impressive close with the talks of President Irish and Vice-president and Manager of Agencies Anderson.

Principally through the use of charts, Mr. Irish gave a graphic outline of the recent progress of the company and told of future plans. Mr. Anderson, who joined the company last year and was thus attending his first Union Mutual convention, gave a rousing and inspirational talk titled "Targets of Opportunity" as the concluding speaker.

W. Combi
C
one th
Intern
a torri
ney of
action
chusett
tising,
one th
came a
associ
action
the att
UNDER
He s
"perso
A. & H.
Americ
cessful,
arable
ness a
every
"circum
Each
full sal
sales p
on whi
have g
organiz
"Nev
criticis
though
million
am tod
preside
tions b
One
salesme
compan
was be
nied th
Mr. Sto
name c
point ty
surd on
the sale
to elim
anticipa
Mr. Sto
tension.
the tend
illustrat
pay yo
you if
that!"
Anoth
"This i
ladies.
a broke
Anoth
license
impress
"How w
Mar
fessor o
go, dir
Chicago
investm
B. Ger
bond de
convent

Clement Stone Gives Cal. Commissioner Fits

W. Clement Stone, president of Combined of Chicago, inserted in his introduction of Napoleon Hill, at the International A. & H. Assn. convention, a torrid blast at Commissioner Maloney of California who has brought an action against Hearthstone of Massachusetts, charging misleading advertising, deceptive sales practices and one thing and another. Hearthstone is one of Mr. Stone's companies. This came as a complete surprise and the association subsequently took official action to dissociate itself entirely from the attack. Mr. Stone had a copy of his talk delivered to THE NATIONAL UNDERWRITER, however.

He said Mr. Maloney is engaged in "persecution" of individuals and A. & H. companies and is attacking American sales methods. If he is successful, according to Mr. Stone, irreparable harm will be done to the business and the constitutional right of every salesman in California will be "circumvented."

Each of the 18 charges in the accusation, he said, is an attack on a successful sales training program based on sales psychology—"a training program on which, during the last 20 years, I have given speeches before numerous organizations.

"Never once was there a word of criticism from you or others even though I have trained salesmen to sell millions of dollars in premiums and am today, general sales manager and president of four insurance organizations because of these sales methods."

One of the accusations is that the salesmen concealed the name of the company, concealed that insurance was being sold, and affirmatively denied that insurance was being sold. Mr. Stone on this score noted that the name of the company appears in 36 point type. He said the charge is absurd on its face. Another charge is that the salesmen use standardized humor to eliminate objections and to avoid anticipated relevant questions. On this Mr. Stone said humor is used to relieve tension. One of Mr. Maloney's lawyers, in the commissioner's presence, contended that the following joke is an illustration of misrepresentation: "We pay you if you are hurt. We even pay you if your feelings are hurt. How's that?"

Another joke that is condemned is: "This is especially interesting to young ladies. We even pay them \$1,000 for a broken heart. How's that!"

Another accusation is that a state license is exhibited to create favorable impressions.

"How stupid," he asked, "can a civil

service employee be and still hold his job in the California department?"

"Civil service in California was designed to protect the individual employee and to bring good to the people but like any good it can be turned into evil by individuals through design,

negligence, stupidity or fanaticism—this is the situation in the California insurance department.

"That department employs the evil tactics of endeavoring to ruin reputations of individuals and companies before a hearing through a systematic procedure of distributing its accusations through the press without warning to those they choose to accuse to accomplish their ends.

"Commissioner Maloney and his cohorts believe they protect themselves behind the cloak of civil service offi-

cials in state government

"California," he said, "inherited the Spanish influence in its most noble form—art—architecture—religious philosophy—and now is emulating the horrors of the Spanish inquisition through the California insurance department's tactics to achieve its objectives.

"Is it possible that Commissioner Maloney and his associates in a sincere effort to socialize the accident and health business through state insur-

(CONTINUED ON PAGE 17)



For ANNUITIES check CM

SIR PLUS SAYS:

"CM has a wide range of annuity plans . . . giving excellent returns . . . and all available to surplus writers."

- Single Premium Annuity without refund
- Single Premium Annuity with installment refund
- Single Premium Annuity with 10 years certain
- Single Premium Joint and Survivor Annuity without refund
- Single Premium Deferred Participating Annuities

Broad range of deferred periods and maturity ages — three income options available

● Annual Premium Annuities

Annuity income available under a variety of options and at various maturity dates

Example: Single Premium Installment Refund Annuity
Male — Age 65

\$4.84 monthly income per \$1,000 of premium

Other plans give correspondingly favorable yields

The Connecticut Mutual
LIFE INSURANCE COMPANY • Hartford

✓ For facts, figures and proposals, call the nearest CM general agent

Albany 1, N. Y., James T. Purves, 75 State St.
Albuquerque, N. M., Timothy B. Ingwersen,
121 East Tijeras Ave.

Atlanta 3, Ga., P. L. Bealy Smith,
Citizens & Southern Bank Bldg.

Baltimore 1, Md., Thomas W. Harrison, Jr.,
307 North Charles St.

Birmingham 3, Ala., Stewart H. Welch, Jr.,
Brown-Marx Bldg.

Boston 9, Mass., Winslow S. Cobb, Jr., 50 Congress St.
Boston 9, Mass., Robt. B. Whitemore, 82 Devonshire St.
Bridgeport 3, Conn., Harry E. Duffy,
Bridgeport-City Trust Co. Bldg.

Buffalo 2, N. Y., Jack O'Bannon, Liberty Bank Bldg.
Charlotte 2, N. C., Philip F. Howerton, Johnston Bldg.
Chicago 3, Ill., W. G. Van der Voort, 39 South LaSalle St.

Chicago 2, Ill., Henry C. Hunken, 1 North LaSalle St.

Chicago 3, Ill., James F. Ramsey, Field Bldg.

Cincinnati 2, O., James H. Farrar, Carew Tower

Cleveland 14, O., Harry H. Kail, Leader Bldg.

Columbus 15, O., Victor K. Miller, Begg Bldg.

Dallas 1, Tex., Everett F. White, 107 North Field St.

Davenport, Iowa, Paul C. Otto, Davenport Bank Bldg.

Decatur, Ill., W. Robert Moore, Citizens Bank Bldg.

Denver 2, Colo., Norris E. Williamson,
U. S. National Bank Bldg.

Des Moines 9, Ia., Sherry R. Fisher, Fleming Bldg.

Detroit 26, Mich., Charles E. Stumb, Nat'l Bank Bldg.

Erie, Pa., James J. Reid, Palace Bldg.

Fort Worth 2, Tex., Thomas N. Moody,
W. T. Waggoner Bldg.

Grand Rapids 2, Mich., Herbert C. Remien,
Association of Commerce Bldg.

Harrisburg, Pa., Joseph J. H. Richter, Jr.,
Payne-Shoemaker Bldg.

Hartford 3, Conn., Ralph H. Love, 75 Pearl St.

Houston 2, Tex., The Shepherd Agency, Exposition Bldg.

Huntington 9, West Va., R. Homa Houchin,
First Huntington Nat'l Bk. Bldg.

Indianapolis 2, Ind., Claude C. Jones,
1812 North Meridian St.

Jacksonville 2, Fla., Victor W. Wilson, Lynch Bldg.

Kansas City 6, Mo., Edward B. Bates,
1016 Baltimore Ave.

Knoxville 12, Tenn., Harry M. Watson,
Hamilton National Bank Bldg.

Long Beach 12, Calif., C. Carter Schneider,
F. & M. Bank Bldg.

Los Angeles 5, Calif., Melzar C. Jones,
3440 Wilshire Blvd.

Los Angeles 17, Calif., William H. Siegmund,
609 South Grand Ave.

Louisville 2, Ky., Moss & Moss, Stark Bldg.

Memphis 3, Tenn., A. V. Prichard, Sterick Bldg.

Miami 32, Fla., F. R. Anderson, Pan American Bk. Bldg.

Milwaukee 2, Wis., Kenneth W. Jacobs, Bankers Bldg.

Minneapolis 2, Minn., Frank J. Lynch,
Northwestern Bank Bldg.

Nashville 3, Tenn., Norris Maffett, 814 Church St.

Newark 2, N. J., Edward C. Jahn,
The Commerce Court Bldg.

New Orleans 12, La., Thomas F. Barrett, Jr.,
Factors Bldg.

New York 6, N. Y., The Fraser Agency,
J. M. Fraser, G. A., 149 Broadway

New York 17, N. Y., Paul L. Guibord, 6 E. 45 St.

New York 17, N. Y., Horace S. Jenkins, Jr., 17 E. 42 St.

New York 17, N. Y., Halsey D. Josephson, 527 5th Ave.

Norfolk 10, Va., D. Conrad Little, Royster Bldg.

Oakland 12, Calif., James L. Taylor, 1404 Franklin St.

Oklahoma City 2, Okla., Robert H. Carter,
Republic Bldg.

Omaha 2, Neb., Paul C. Knul, 405 S. 16th St.

Pearl 2, Ill., Chester T. Wardwell, Cent. Nat'l Bk. Bldg.

Philadelphia 3, Pa., John C. Knipp, Jr., Architects Bldg.

Philadelphia 3, Pa., Vernon S. Mollenauer,
1616 Walnut St.

Pittsburgh 19, Pa., Robert N. Waddell, Koppers Bldg.

Portland 3, Me., Richard M. Boyd, 415 Congress St.

Portland 4, Ore., The Merrifield Agency, Equitable Bldg.

Providence 3, R. I., Walter K. R. Holm, Jr.,
Industrial Trust Bldg.

Raleigh, N. C., William T. Beatty, Security Bank Bldg.

Richmond 5, Va., J. Robert Nolley, Insurance Bldg.

Rochester 4, N. Y., Robert M. Williamson,
Lincoln-Aliance Bank Bldg.

Rockford News Tower

Rutland, Vt., William C. Shouldice, Mead Bldg.

St. Louis 1, Mo., Jack Hensley, Arcade Bldg.

St. Paul 1, Minn., Joseph A. Dienzenbach,
Pioneer Bldg.

Salt Lake City 1, Utah, Max S. Caldwell, Judge Bldg.

San Antonio 5, Tex., G. Archie Helland,
Frat National Bank Bldg.

San Diego 1, Calif., Alpheus J. Gillette,
1407 Sixth Ave.

San Francisco 4, Calif., Edward H. Dieckhoff,
315 Montgomery St.

Seattle 1, Wash., Edward U. Baker,
1411 Fourth Ave., Bldg.

South Bend 1, Ind., P. A. Hammel, 527 Sheridan Bldg.

Spokane 4, Wash., Thomas R. Carey, Med. Cost. Bldg.

Springfield 3, Mass., Wallace C. Brunner, 95 State St.

Syracuse 2, N. Y., Linon F. Styles, Jefferson Bldg.

Toledo 4, Ohio, Floyd A. Rosenfelt, United Savings Bldg.

Utica 2, N. Y., Frank H. Wenner,
Utica Gas & Electric Bldg.

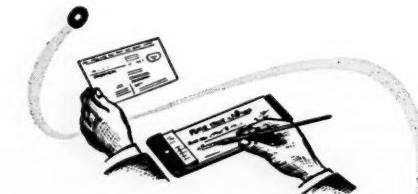
Washington 5, D. C., John Lister McElfresh,
Woodward Bldg.

Wichita 2, Kan., O. Lynn Smith,
Kaufman Building

Wilkes-Barre, Pa., Frank Carlucci, 44 West Market St.



Marshall D. Ketchum, associate professor of finance, University of Chicago, director of A.L.C.-University of Chicago School of Business life officers investment seminar, left, with Victor B. Gerard, treasurer and manager bond department Commonwealth Life, convention financial section chairman.



CONSERVATION

of business is neither just a phrase nor mere wishful thinking. Profitable persistency in the Equitable Life of Iowa is the logical result of the acquisition of quality business by career life underwriters. Proof are LIAMA reports that for many years the Company has had one of the most favorable positions in conservation of business among the 27 companies having one billion or more of ordinary insurance in force.



KEYED FOR
CAREER LIFE
UNDERWRITERS

Equitable

LIFE INSURANCE COMPANY OF IOWA

FOUNDED IN 1867 IN DES MOINES

QUALITY
MARKS

"One of the Best"



NEW HOME OFFICE UNDER CONSTRUCTION

Purely Mutual Operation
Over Half Century Service
Highest Possible Rating
Very Low Net Cost
Growth... 50% in 6 years
\$365,000,000. Insurance
\$123,000,000. Assets
\$ 10,500,000. Surplus

Trained General Agents
Trained Life Underwriters
Generous Compensation
Liberal pensions
Modern underwriting
Right size to serve
Right size to be friendly
Ideal midwestern location

Life Underwriters and General Agency minded men Both
like "ONE OF THE BEST" FOR A BETTER FUTURE.

CENTRAL LIFE ASSURANCE COMPANY • DES MOINES, IOWA

• Form American Independence Life, Military Insurer

American Independence Life, writing life insurance exclusively for commissioned officers in U.S. military service, has been incorporated in Texas with an initial cash paid-in capital and surplus of \$300,000, and has headquarters at Second National Bank building, Houston.

President is Troy V. Post, who also is president of Reinsurance Co. of America, Dallas, and chairman of the board of American United Services Ins. Co., Houston. There is no connection among the three companies.

O. R. Leverett, vice-president and agency director, formerly was with United Services Life as vice-president and director. He and Mr. Post, both also directors, are veterans.

Other directors are: John T. Gilchrist, formerly assistant actuary of



O. R. Leverett

ACTUARIES

CALIFORNIA

COATES, HERFURTH &
ENGLAND

CONSULTING ACTUARIES

San Francisco Denver Los Angeles

GA. VA. - N.Y.

BOWLES, ANDREWS &
TOWNE

Consulting Actuaries
Employee Benefit Plans

Atlanta • Richmond • New York

ILLINOIS

CARL A. TIFFANY & CO.

CONSULTING ACTUARIES

211 West Wacker Drive
CHICAGO 6
Telephone FRanklin 2-2633

Harry S. Tressel & Associates

Certified Public Accountants
and Actuaries

10 S. La Salle St., Chicago 3, Illinois

Telephone FRanklin 2-4020

Harry S. Tressel, M.A.I.A.
M. Wolfson, F.S.A.
M. A. Moscovitch, A.S.A.

Wm. H. Gillette, C.P.A.
W. P. Kelly
Robert Murray

INDIANA & NEBRASKA

Haight, Davis & Haight, Inc.

Consulting Actuaries

ARTHUR M. HAIGHT, President
Indianapolis — Omaha

MISSOURI

NELSON and WARREN

Consulting Actuaries
Pension Consultants

ST. LOUIS KANSAS CITY

NEW YORK

Consulting Actuaries
Auditors and Accountants

Wolfe, Corcoran & Linder

116 John Street, New York, N. Y.

OKLAHOMA

W. J. BARR

Consulting Actuary

HOME STATE LIFE BUILDING
OKLAHOMA CITY, OKLA.

PENNSYLVANIA

FRANK M. SPEAKMAN

CONSULTING ACTUARY

ASSOCIATE

E. P. Higgins

THE BOURSE

PHILADELPHIA

Schroetter St. Paul Head

St. Paul A. & H. Underwriters Assn. has elected Harry Schroetter, president; Robert A. Sanders, Washington National, vice-president; Terrance J. McGovern, St. Paul Hospital & Casualty, secretary.

AL
HO
TO
B
BE
tivities
of a
in Am
Univers
life of
come
schedu
by pre
financi

As i
dress i
guest r
ates a
realize
group
the fo
investm
matter
deed o
ments
life bu
is a h
compet
these l
executi
compan
benefit
whose
the ma
A.L.C.
the soc
dinner
preside
bert L.
and ge
adminis
Kastner
Guertin
ciate ge
secretar
a num
committ
guests.

Victor
ager, b
wealth
man of
tion, is
regents
and its c
man is u
ident. M
professio
versity S
director.

Althou
formal s

Oldest
at Amer
ters inv
William F
dent of C
all 11 se
Alan G.
treasurer
time veter

ALC Investment Men Hold Guest Night To Wind Up Seminar

By WILLIAM H. FALTYSEK

A BELOIT, WIS.—"Graduation" festivities at Beloit College in the form of a guest night offered participants in American Life Convention-Chicago University School of Business annual life officers investment seminar a welcome relief from a heavy two-week schedule of lecture classes conducted by prominent authorities on matters financial.

As in the classrooms, informality of dress is also the order of the day at the guest night dinner. This in itself creates a unique impression when it is realized that here assembled like any group of collegians in any school is the foundation of the life insurance investment structure. And for that matter it is very concrete evidence indeed of the truth of numerous statements often made that although the life business is highly competitive, it is a helpful and democratic type of competition. For two weeks each year these life insurance company financial executives live and study together and compare notes to everyone's mutual benefit, especially the policyholders, whose premium dollars, after all, are the material used for investing.

A.L.C. executive personnel attending the social hour and introduced at the dinner included President T. A. Sick, president of Security Mutual Life; Robert L. Hogg, executive vice-president and general counsel; Lee N. Parker, administrative vice-president; Ralph H. Kastner, general counsel; Alfred N. Guertin, actuary; W. Lee Shield, associate general counsel; and Ida Weber, secretary and seminar registrar. Also a number of convention executive committee members were present as guests.

Victor B. Gerard, treasurer and manager, bond department of Commonwealth Life, who is currently chairman of the convention's financial section, is vice-chairman of the board of regents which handles seminar details and its curriculum. Regent board chairman is usually the current A.L.C. president. Marshall D. Ketchum, associate professor of finance of Chicago University School of Business, is seminar director.

Although guest night includes no formal speeches, "fresh blood" in for-

the evening can become involved in any number of technical discussions with the participants ranging from individuals to various-sized groups. One subject that received considerable attention, since it had just happened the day before, was Federal Reserve Board's action in reducing the reserve requirements of the nation's banks.

The matter of interest rates and the money market in general was gone over thoroughly during the first week of the seminar. The feeling that seemed to emanate from various guest night "bull sessions" was that particularly

in New York and Chicago there would be a slight reduction of interest rates on new securities, immediate improvement in secondary bond markets and an easier path to corporate and municipal financing.

Enrollment in seminar classes this year reached 145, representing 87 A.L.C. member companies. Registrants from some of the companies operate on a split-week basis. They attend the first week only and are then replaced by other representatives of their company for the second week. All attending are company officers on the policy-

making or policy-influencing level.

Old Line Has New Plan

Old Line Life has brought out a new participating whole life plan issued in minimum amounts of \$5,000. It is available to male and female risks ages 10 to 65 inclusive.

The participating whole life plan previously issued in sums from \$5,000 to \$100,000 inclusive is eliminated. The life paid-up at 85 plans (participating and non-participating) will be free of the \$4,999 maximum limitation and may be written up to \$100,000 face amount.

MR. AGENCY BUILDER:-

You'll never know what Fortune your Future holds until You see
the NEW Golden Rule Agency Builder's Contract
offered by

THE GOLDEN RULE COMPANY

Liberal Rewards To Your Agents For Helping You Build

AGENTS APPOINTED BY YOUR AGENT'S AGENTS

YOUR AGENT'S AGENTS

A STRONG MONEY-MAKING AGENCY CHAIN

EVERYONE HAPPY EVERYONE MAKING MONEY

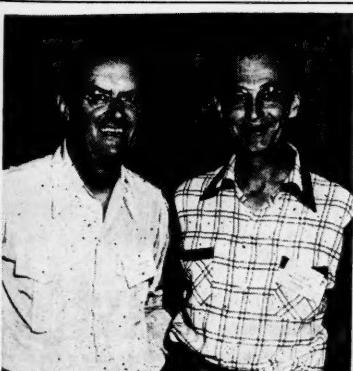
WRITE TODAY
For Details of This
GOLDEN OPPORTUNITY
Inquiries Held Confidential

YOUR AGENCY

YOUR FUTURE FORTUNE

TERRITORIES:

Opportunities open in: California, Florida, Illinois, Indiana, Iowa, Kansas, Kentucky, Maryland, Michigan, North Carolina, Ohio, Pennsylvania, Texas, Virginia, Washington, D. C., and West Virginia.



Oldest and next oldest in attendance at American Life Convention life officers investment seminar. From left, William F. Schmausser, 1st vice-president of Capitol Life, who has attended all 11 seminars for the full two weeks; Alan G. Decker, vice-president and treasurer of Shenandoah Life, a nine-time veteran.

The COLUMBUS MUTUAL LIFE INSURANCE COMPANY
Columbus 16, Ohio

Carl Mitchell, Pres.

Ben F. Hadley, Vice-Pres and Sup't of Agents

We Salute . . .
**OUR GENERAL AGENT
 GEO. N. WADE
 Harrisburg, Pennsylvania**



On a personal and agency-wise basis, Manager Geo. N. Wade has made a superlative record with The Ohio National over the past third of a century. During his distinguished career he has spearheaded The Wade Agency to first-place production honors eight times in recent years. In fact, Mr. Wade and his loyal associates have been strong and consistent contenders for the leadership at all times.

**THE OHIO NATIONAL
 LIFE INSURANCE CO.
 Cincinnati**



Let's talk

**HOW TO HAVE \$7800 PER YEAR
 TAX FREE INCOME AT 65**

Life insurance as an income producing investment is the "hottest" idea in the business today! Fred H. White, CLU, developed this sales idea and his agency has enjoyed tremendous success with it. His new booklet—*How To Have \$7800 Per Year Tax Free Income at 65*—will enable you to do the same, for in it gives you this new concept in its most powerful presentation form.

This booklet has a tremendous appeal with prospects, and has been re-ordered by thousands of agents, agencies and home offices. Attach a dollar bill to your letterhead and we'll send six copies on approval.



THE INSURANCE RESEARCH & REVIEW SERVICE

Hilbert Rust, C.L.U., President

INDIANAPOLIS

**Continental Offers
 New Non-Can Plans**

Continental Assurance has introduced a new series of non-cancellable A. & H. policies based on a new participating rate structure and a condensed and simplified occupational rating system consisting of only three classifications. The company also increased its writing limit from \$250 to \$300 and boosted participation limit to \$750.

Indemnity limits covered by three basic policies are two, five, and 10 years. Lifetime accident coverage is part of the basic 10-year policy and is available on the 2 and 5 year policies at moderately higher rates. A wide range of elimination periods is used, from first-day accident and fifteenth day sickness to 90 days on both accident and sickness. Basic rates are adjusted through reductions for the longer waiting periods.

Liberal provision is made for hospital, nursing and surgical expenses. Optional benefits are not tied to monthly indemnities. Hence, maximum \$15 daily hospital benefit, 120-day limit, may be purchased in combination with the minimum \$100 monthly income. Nursing and surgical maximums are \$15 daily and \$300 respectively.

As a final major indemnity in the schedule-type policies, the company offers accidental death benefits up to \$50,000 in classes 1 and 2.

The company intends to drive heavily for "blue shirt" business, in addition to covering the business-professional field, being convinced that the immense gains scored by wage earners makes of them a most promising non-can market. Indemnities up to \$150 in prime age brackets will be written non-medically, except on the 10-year policy.

Terminal age is handled this way: "The company guarantees the insured the right to renew this policy for further consecutive premium intervals not to extend beyond the date on which the insured becomes 65 years of age."

The participating feature is worded the same as a participating life policy. Dividends available at the end of the second policy year and thereafter may be used to reduce premiums or accumulate 2½% interest. Accumulated funds, in principle, ultimately may be made to lengthen the usual 30-day grace period, for the policy provides that "...dividend deposits...will be applied towards the payment of all or part of such premium." Should dividend deposits be used to prevent lapse, they may be repaid at the option of the policyholder when he resumes payment of premiums.

The company will accept premium in advance, discounted.

Reduced earnings will not reduce benefits. House confinement is not required. There is no limit to number of claims. Policies are contestable after two years both as to statements made in applications as well as preexisting diseases.

Public announcement of the new policies was withheld until the new line had been introduced to general agents and branch managers through the medium of a series of regional meetings under the direction of Harlow G. Brown, vice-president, in the east; Robert B. Hamor, midwest superintendent of agencies, and John T. Grant, Pacific Coast superintendent of agencies.



YOU'LL FIND

it profitable to check with us when you want to make the best possible placement of business.

MORE THAN

\$1½ Billions

of life insurance in force

MORE THAN

\$1½ Billion

in assets

If you are a full-time agent of another company, see us first for business you will not be able to place with your own company.

*Serving policyholders
 from coast-to-coast*

**BANKERS Life COMPANY
 DES MOINES, IOWA**

E STABLISHED 1879

Award . . . by Irving the original Previous O'Connor president William E. agent of the late H. general agen

Mr. Mu of the Inte and one original c third pres was almost g funds association secretary. association organizi

In 1945 as national permanen

S.C. A

Alvin H. selected pr Underwriters are: T. V. Spartanbu active vice-p manager L. Win H. Zei son, Andre manager L. regional v general agen Life, was man. Spartanb nation's a South Carr



Highly-rated company offers unusual DIRECT CONTRACT opportunity to good producers in Iowa, Ohio, Ark., Ind., Ky., Miss., and Mo. A complete line of:

**LIFE • ACCIDENT
 • SICKNESS
 • HOSPITALIZATION**
 Your reply held confidential. Write to:
 J. DeWitt Mills, Supt. of Agents

MUTUAL SAVINGS
Life Insurance Company

5701 WATERMAN ST. LOUIS 12, MO.

Pictured
 vestment s
 J. Karcher
 ty Life &
 executive
 of agencie
 Chicago.

E. H. Mueller Is Named A. & H. "Man of the Year"

E. H. "Count" Mueller, Wisconsin general agent of Provident Life & Accident and state manager of Pacific Mutual Life, won the A. & H. "Man of the Year" distinction at the annual convention of International Assn. of A. & H. Underwriters at Chicago this week when he was presented the Harold R. Gordon Memorial Award.

The presentation was made by Irving G. Wessman, Loyalty group, the originator of the award idea. Previous recipients have been E. H. O'Connor, managing director of Insurance Economics Society; V. J. Skutt, president Mutual Benefit H. & A.; William E. Lebby, Los Angeles general agent of Massachusetts Indemnity, and the late Bert A. Hedges, Wichita general agent of Business Men's Assurance.

Mr. Mueller was one of the founders of the International association in 1930, and one of the three who wrote the original constitution. He served as the third president in 1932, and in 1942 he was almost solely responsible for raising funds to reorganize the National association and employ a permanent secretary. He founded the Milwaukee association in 1936, and assisted in organizing the Madison association.

In 1945 and 1946, Mr. Mueller acted as national executive secretary until a permanent man could be found and a

S. C. Agents Elect

Alvin H. Jones, Greenville, has been elected president of the South Carolina Underwriters Assn. Other new officers are: T. V. Huey, general agent at Spartanburg for Pacific Mutual, executive vice-president; and J. Doyle Smith, manager Liberty Life at Columbia; Edwin H. Zeigler, Florence; Hugh Robinson, Anderson, and Robert Malcolm, manager Liberty Life at Charleston, all regional vice-presidents. Clyde Sisson, general agent at Columbia for Aetna Life, was named National committee-man.

Spartanburg received the state association's award as best local group in South Carolina.



Pictured at A.L.C. life officers investment seminar, from left, Willard J. Karcher, assistant secretary Security Life & Accident; C. G. Ashbrook, executive vice-president and director of agencies North American Life of Chicago.

reorganization effected.

Mr. Mueller has been in the A. & H. business since 1914, and one of his sons, Richard, is now associated with his agency, which produces more than \$1 million in premiums annually.

Last year Mr. Mueller made a trip to Europe and studied the socialized medicine and insurance institutions in countries there. He has made a number of talks on this since his return. For three years he has been chairman of the Gordon-Lebby memorial committee, which has charge of publishing the association's "Accident & Health Sales Portfolio."

N. C. Assn. Elects Schenck President

North Carolina Assn. of Life Underwriters, at the annual meeting at Greensboro, elected Paul W. Schenck, general agent Provident Mutual Life, president succeeding John Clayton of Durham.

Divisional vice-presidents are Edward Hicklin, district manager Jefferson Standard, Burlington; Gerald Moore, Hickory, and W. F. Yates, general agent Lincoln National, Raleigh. C. K. Anders, Wilmington, is secretary-treasurer.

Teachers Workshop at Miami U.

A family security workshop sponsored by Institute of Life Insurance is in progress at Miami University Oxford, O., with 38 high school teachers attending. R. N. Fey, professor of insurance, has conducted a number of sessions.



"and your only trouble this year may result from too many people falling under the spell of your great personal charm." That's what it says on the back of the ticket. The front is more factual. "Weight 194." Some predicting.

Plain fact, as every life insurance agent knows, is that you can't predict the future. The Union Central agent also knows that you can prepare for the future on the basis of what happens to most people and still take care of the exceptions.

Certainly the best preparation is life insurance—Union Central life insurance with its

policies and combinations of policies to meet every life insurance need from birth to age 70.

And the Union Central agent is also an up-to-the-minute insurance man. The best policy of twenty years ago isn't necessarily the best policy today. Times change. The needs of people change. An alert, cooperative Home Office keeps all Union Central agents fully informed, helps them with the proper sales tools to make Union Central life insurance serve people best in terms of today's needs—projected reasonably and logically into the future.



THE UNION CENTRAL

LIFE INSURANCE COMPANY

CINCINNATI, OHIO

• Six Bankers Life of Iowa agents attended an advanced sales training school at the company's home office which was the last in a series directed by Roy A. Frowick, director of training schools.

Announcing . . .

AMERICAN INDEPENDENCE LIFE INSURANCE COMPANY

CHARTERED 9 JUNE 1953

CASH PAID-IN CAPITAL AND SURPLUS

\$ 300,000.00

- ★ Providing life insurance exclusively for Commissioned Officers of the Uniformed Services of the United States.
- ★ Transacting business on Military Reservations under Federal Jurisdiction throughout the World.
- ★ Profit Sharing Unrestricted Policies conforming with the minimums established by the Standard Valuation Non-Forfeiture Laws, commonly called the "Guertin Laws," complying with the Assistant Secretary of Defense Memorandum 27 May 1953 pertaining to the Solicitation of Commercial Life Insurance on United States Military Installations throughout the World.

AMERICAN INDEPENDENCE LIFE INSURANCE COMPANY

SECOND NATIONAL BANK BUILDING

HOUSTON, TEXAS

Troy V. Post
President

O. R. Leverett
Vice President

POINT OF
VANTAGE

LOOK over Indianapolis Life, but don't overlook the fact that Indianapolis Life is, has been, and always will be a friendly, quality company built on service . . . big enough for "big business"—personal enough for small. Agents like our point-of-view, our home office cooperation and feel it's the kind of a company they're proud to represent . . . proud to work for. What's more, Indianapolis Life provides life-time service fees. Our special talents, rich experiences and broad facilities are at your disposal. Write today if interested.

INDIANAPOLIS LIFE
INSURANCE COMPANY
Mutual—Established 1905

INDIANAPOLIS 7, INDIANA

AGENCY OPPORTUNITIES IN Illinois, Indiana, Iowa, Ohio, Michigan, Minnesota, Texas

AGENTS ELECT ETHERIDGE

Texas Laws Sorely
Need Change, State
Groups Are Told

It must be the mission of all agents to assure passage of remedial insurance legislation in Texas, Zollie Steakley, Austin, attorney for Texas Assn. of Life Underwriters, told delegates to that group's annual convention at Houston.

The five-day meeting included sessions of Texas Leaders Round Table, Texas General Agents & Managers Conference, A. & H. Sales Conference of Texas and Texas C.L.U.'s.

The life underwriters elected H. T. Etheridge, Southwestern Life, El Paso, president succeeding Eddie Dyer, Southland Life, Fort Worth. V. W. Kelley, Southwestern Life, San Angelo, is vice-president, and Ben P. Atkinson, American General, Austin, secretary-treasurer.

John Kehoe, Southwestern Life, Dallas, was named chairman of Texas Leaders Round Table. Elected as regional directors were Bert G. Ripley, Southwestern Life, Wichita Falls; John Fargasson, Great Southern Life, Houston, and Harry Gately, Southwestern Life, Fort Worth.

There is no Texas law which specifically forbids twisting of policies, Mr. Steakley said. Neither is there one which prohibits an agent whose license is cancelled from organizing his own company. There is opportunity in the business for exploitation and trickery, and it will require continued and unified efforts to bring life insurance to ideal standards of conduct and service, he observed.

He suggested an agents' qualification law for those who sell legal reserve life insurance to distinguish them from others who sell burial and other related coverages.

Mr. Steakley praised the passage in Texas of the insurable interest law, observing that it protects future business insurance plans. In this respect, retiring President Dyer declared that this law was the outstanding legislative achievement of the year.

David B. Fluegeman, Northwestern Mutual Life, New York City, president of N.A.L.U., urged corrective measures be taken against "synthetic" groups which take the writing of group insurance away from the agent. Some companies, he declared, are so interested in volume they overlook the evils of the group situation. This, he said, militates against service to the public.

James E. Powell, vice-president of Provident L. & A., told the A. & H. sales congress that no insurance line has grown as rapidly as A. & H. No longer is the broker as important in placing this type of coverage for the company, for more and more of the latter have entered the field and are recognizing its direct relation to personal insurance. The threat of socialized A. & H. has played a large part in this development, Mr. Powell said.

Although some straight life insurance men do not believe in A. & H., W. D. Bacon, Crown Life, San Antonio, said they actually are selling this type of coverage when they sell life insurance with disability benefits and premium waivers.

Direct mail is the most worthwhile means to large production, Myron H. Blotkey, Prudential, Kansas City, explained, declaring this method greatly

speeds formulation of an individual program and eliminates many objections which would otherwise be raised by the client.

Other speakers at the joint conference were: Travis T. Wallace, president Great American Reserve; Cleo Thorpe, Great Southern Life, Houston; L. Mortimer Buckley, New England Mutual, Dallas; Herbert Holcomb, Life of Virginia, Dallas; M. S. Bennett, Lincoln National Life, Fort Worth; Ben P. Atkinson, American General Life, Austin; Glen Wallace, superintendent of agents Great American Reserve; James R. Williams, assistant director H. & A. Underwriters Conference; Leroy G. Steinbeck, managing director American Society of C.L.U.; Ford Munnerly, vice-president and agency director American General Life; Grant Taggart, California-Western States Life, Cowley, Wyo., and Norval Pierce, Metropolitan Life, Houston.

Presiding at their respective conferences were: Mr. Dyer, Texas Life Underwriters; George P. Montgomery, Great National Life, Houston, Texas Leaders Round Table; E. Dale Shepherd Jr., Connecticut Mutual Life, Houston, General Agents & Managers, and William H. Delaney, Provident L. & A., Houston, A. & H. sales congress.

Mulvey to State Mutual

State Mutual Life has elected Glenn O. Mulvey assistant superintendent of agencies. Mr. Mulvey had been with Monarch Life, first at the home office at Springfield, Mass., and later as general agent at Syracuse.



Glenn O. Mulvey

Change Premium Discount Plan

Fidelity Mutual Life will now accept payments for discounted premiums on the basis of compound interest at the rate of 2½% on sums up to \$25,000 and at the rate of 2% on additional sums. The action is not retroactive.

Eligible For Life Insurance Company Investment Under the Laws of the State of Texas

BROADWAY PLAN BONDS
SAFE SOUND
5% INTEREST PAYABLE SEMIANNUALLY

16 YEARS EXPERIENCE
OVER 300 CHURCHES
NEVER A DEFAULT

HELP BUILD Churches NOW
BROADWAY PLAN
419 San Jacinto Bldg.
HOUSTON, TEXAS

MANAGEMENT CONSULTANTS

O'TOOLE ASSOCIATES
Management Consultants
To Insurance Companies
Established 1945
P. O. Box 101 Queens Village, N. Y.
Phone — Hollis 4-0942

Talbot
at New

Everett
turn to p

L. Vincent

J. V.
Newark a

Mr. Tall

Mutual at

mer genera

ney and be

Talbot fol

L. Gooding

Mr. Row

1911 at Ne

L. & C. N

Texas D

John E.

Life & Casu

John E.

wanted to Da

ered the sta

Mr. Kay

12 districts

were acquir

Franklin Lif

ers at Hou

N. C. Ellis

who has bee

will succeed

was at Mem

Russell E.

has been ap

ed general

at Scotts

Neb., for Br

Life of Neb

He started

Bankers Li

Grand Islan

Snygg Ma

New Colum

Columbian

paid at age

plan for pre

mium waive

ability bei

The plans

benefits per s

death, \$30,00

\$0,000; loss

XUM

Talbot Sole General Agent at Newark; Rowley Resigns

Everett Rowley of the Northwestern Mutual general agency of Rowley & Talbot at Newark has resigned to return to personal production. His part-



J. Vincent Talbot



Everett Rowley

foot, \$5,000; broken arm, \$1,000; broken leg, \$1,000; major surgery, \$250.

Bissell Is Houston Chief

J. J. Bissell, Bankers Life of Iowa, has been elected president of Houston General Agents & Managers Assn.

Paul L. Martin, American General Life, is vice-president; Richard N. Chapin, Phoenix Mutual Life, secretary, and Herbert Elston, Minnesota Mutual, treasurer.

E. Dale Shepherd, Jr., Connecticut Mutual, was named to act as liaison officer between the association and G.A.M.C.

Hancock General Agents Meet in New Hampshire

Seventy general agents of John Hancock, meeting at Melvin Village, N.H., heard these speakers discuss agency plans and objectives: Paul F. Clark, president; Clarence W. Wyatt, group vice-president; R. Radcliffe Massey, general agency vice-president, and Ferrel M. Bean, Chicago, president of the General Agents Assn.

George Vinsonhaler, 2nd vice-president, was moderator. Evening seminars on pensions and brokerage were conducted by Edwin J. Allen, New York general agent, and Albert C. Adams,

Philadelphia general agent. The agency leaders convention will be held in September at the Edgewater Beach hotel, Chicago.

To Form Educators at L. A.

The name Educators Ins. Co. has been approved by Commissioner Maloney for a new life company being organized at Los Angeles. Donald R. Luckham, Los Angeles attorney, represents the organizing group. He is a former vice-president of Beneficial Standard Life and former assistant to the chief of the legal and compliance division of the California department.

DEFINITION

Advertising has been defined this way:

"Advertising is the force by which a firm, individual or corporation distinguishes itself from its competitors".

There are as many definitions of advertising as there are of anything else upon which opinions vary, but this one is worth some consideration.

A company official may very well ask himself whether his company is doing what it should and what in fact must be done to distinguish it from its competitors. A company that is just regarded as "a company" is not much of an insurance institution after all.

If it has done nothing in the way of advertising or publicity to mark it off from all of the rest of its competitors, to give it a corporate personality that is known and recognized, then it has neglected one of the most important aids to its growth.

The progress and development of the unadvertised (and hence unknown) company has always been slow and difficult. The first place for any company to achieve recognition and prestige among those in the insurance business is in the advertising columns of The National Underwriter.

The NATIONAL UNDERWRITER

Largest Circulation of Any Weekly Insurance Newspaper



Number three of a series

New Columbian Mutual Plans

Columbian Mutual Life has adopted paid at age 65 plan and a whole life plan for preferred male risks in preferred occupations. Both include premium waiver for total and permanent disability before age 65.

The plans provide the following benefits per \$10,000 policy: accidental death, \$30,000; travel accident death, \$50,000; loss of hand, \$5,000; loss of

EDITORIAL COMMENT

How's Your Empathy?

"Empathy" is a word that has been in the dictionaries a long time but it's just beginning to gain recognition as an important quality for executives at all levels. One dictionary definition is "the imaginative projection of one's own consciousness into another being" but as used by psychological consultants in business and industry empathy is used to indicate the ability to imaginatively project the other fellow's consciousness into your own, thereby putting yourself mentally into his shoes, to the point of being able to guess pretty closely what his thoughts and reactions will be in a given situation.

In its simplest form empathy is well illustrated by the old story of the village idiot who found the lost horse when nobody else could. He just sat down and figured out where he would go if he were a horse. He went there and there was the horse.

At a recent meeting of chemical engineers, Dr. Richard S. Schultz, a New York City psychological consultant, mentioned the importance of empathy as an executive quality, pointing out that individuals who rate high in this characteristic can more readily understand, predict and control the thinking, feeling, and actions of other people. Psychologists are now at work devising methods of measuring this quality.

"The simplest illustration of empathy is to recall your last experience at an exciting athletic event or theater show," he said. "Remember how you reacted and identified yourself with specific thoughts, feelings, and actions of the feature personalities?"

Empathy, he said, may be further described as a combination of social sensitivity and social intelligence. "It is with such awareness that we can be most skillful in our daily contacts with people," he said.

It is encouraging to know that progress is being made in measuring the characteristic technically known as empathy, for it is a trait that under various inexact tags has been recognized as an important though elusive attribute of success. It is often the reason why two men of apparently equal upbringing, education, intelligence, and opportunity will vary so widely in their degree of business success: one of them can see things from the other fellow's point of view; the other can't, and continually rubs people the wrong way.

If accurate measurements are on the way that will measure this sort of "social savvy" they will be of particular use to the insurance business, in which cooperating with people and getting along with them on a good basis are so much more important than purely technical know-how.

Cool Heads Will Be Needed at Cleveland

In the June 5 issue THE NATIONAL UNDERWRITER ran an extensive article summarizing the discussion at the annual meeting of the New York State Assn. of Life Underwriters that led to the unanimous vote to bring New York domiciled life companies into the association as dues-paying but non-voting members. The article was based on a considerably fuller summary issued in mimeographed form by the state association.

The article stated that copies of the official summary could be obtained by writing to Spencer McCarty, executive secretary, 75 State street, Albany. Two weeks earlier THE NATIONAL UNDERWRITER said in a news item and also in an editorial that if any readers had questions they felt were not answered by a reading of the association's statement, we would be glad to seek out the answers.

The response to these offers has been something less than overwhelming. By late last week Mr. McCarty had re-

ceived two requests for the mimeographed summary and up to early this week THE NATIONAL UNDERWRITER had heard from no readers whatever having questions they wanted answered. This absence of response seems fairly surprising when you consider that about 6,000 of the approximately 8,000 subscribers of the Life Edition of THE NATIONAL UNDERWRITER are field men. Moreover, the matter was hot enough so that N.A.L.U. held a special meeting of its executive committee and after listening to a delegation from the New York state association directed that the state organization go no further with its plan of taking in company members until the question had been presented to the N.A.L.U. board of trustees at Cleveland in August and they had a chance to pass on it.

In running the article summarizing the state association's deliberations and offering to get the answers to questions that readers might have, and also in reporting the various adverse reactions

there have been, THE NATIONAL UNDERWRITER's aim was to get all the viewpoints out into the open and clear up any points about which readers might want additional information, to the end that when the matter comes up at the N.A.L.U. meeting next month the discussion might be as informed as possible.

A matter like this, involving as it does the emotionally charged question of company domination of the activities of a life underwriters association, could well generate a lot more heat than light at the N.A.L.U. meeting unless every effort is made by those interested to understand all the viewpoints, whether favorable to the New York state plan or opposed to it.

We would like to believe, of course, that the almost complete absence of interest in obtaining further information on this important matter is due to a feeling among those of our readers who are going to be at Cleveland that they have been so abundantly supplied with facts and figures that they don't need anything additional to take

an intelligent part in the discussion capacity. But we have an uneasy feeling that in spite of the extent to which the various viewpoints have been aired there will still be plenty of fireworks.

Possibly the scant response is due to interest in the question of company membership in state associations being much more limited than had been supposed, though this would not be a safe assumption for anyone having an active interest in the fate of the proposal. For it could well be that despite today's seemingly slight interest nearly everybody in the national council and board of trustees could be stirred up to the point of taking a very positive stand on one side or the other.

The question has already proved so controversial that unless those who discuss it at Cleveland exercise almost superhuman restraint and do their level best to understand viewpoints to which they may be opposed it will be difficult if not impossible to come up with a final action that can be regarded as accurately mirroring the real wishes of N.A.L.U.'s members.

PERSONAL SIDE OF THE BUSINESS

Byron K. Anderson, new Equitable Life of Iowa general agent at Cedar Rapids, Ia., succeeds his father, Oscar A. Anderson, a 36-year company veteran.

Byron Anderson joined the company at Cedar Rapids in 1935. His father, who at a luncheon at Cedar Rapids was presented a hand-illuminated scroll by Ray E. Fuller, agency vice-president, is a past-president of both Cedar Rapids Assn. of Life Underwriters and Cedar Rapids General Agents & Managers Assn.

Paul Mountcastle, chairman of Life & Casualty, participated in a conference on the effect of federal tax policies on state sources of revenue at Washington, D. C. The conference was sponsored by U. S. Chamber of Commerce.

Charles A. Hostetler, deputy commissioner of North Carolina, was married to Miss Dorcas Anne Gore of Raeford, N. C. They will make their home at Raleigh.

Donald C. Slichter, vice-president of Northwestern Mutual Life, has been elected treasurer of Lawrence college, Appleton, Wis.

Kenneth Albert Mullins, supervisor for Great-West Life at Chicago and son of Kenneth Mullins, vice-president of Washington National and Mrs. Mullins, was married to Miss Suzanne Ruth Goetz, daughter of Mr. and Mrs.

Frederick Henry Goetz of Evanston Ill. The bride just graduated at Northwestern and the junior Mr. Mullins graduated in 1949 and has been with Great-West since then.

Commissioner Charles R. Fischer of Iowa has returned to his desk after being hospitalized with pneumonia following the commissioners' convention at San Francisco. He was taken ill while returning from the convention and was confined to a hospital at Des Moines for a week.

Philip K. Robinson, vice-president of Northwestern Mutual Life, was elected vice-chairman of the board of governors of American Red Cross at a meeting at Washington, D. C.

Chester L. Fisher, Jr., insurance relations assistant with Metropolitan Life and secretary-treasurer of the Assn. of Life Insurance Counsel, won the \$1,500 New York state award in the General Motors better highway award contest. He received his check at a dinner at Albany for the state winners. He is a lawyer and has been with Metropolitan since 1939.

John J. Nietmann, Jr., assistant counsel of Life Insurance Assn. of America, has been advanced to major in the New York national guard. He is executive officer of the 1st battalion 101st armored cavalry.

Commissioner A. C. Leslie of Pennsylvania, former district attorney of Allegheny county, has been mentioned as a possibility for appointment to the state supreme court to fill a vacancy. The appointee will serve in an interim

NATIONAL UNDERWRITER

LIFE INSURANCE EDITION
PUBLICATION OFFICE: 175 W. Jackson Blvd., Chicago 4, Ill.
CIRCULATION OFFICE: 420 E. Fourth St., Cincinnati 2, Ohio

ATLANTA 3, GA.—432 Hurt Bldg., Tel. Walnut 9801. Carl E. Weatherly, Jr., Southeastern Manager.

BOSTON 11, MASS.—207 Essex St., Rm. 421, Tel. Liberty 2-1402. Roy H. Lang, New England Manager.

CHICAGO 4, ILL.—175 W. Jackson Blvd., Tel. Wabash 2-2704. O. E. Schwartz, Chicago Mgr. A. J. Wheeler, Resident Manager.

Editor: Robert B. Mitchell
Associate Editors: John C. Burridge, Charles C. Clarke and F. A. Post.
Assistant Editors: Ellsworth A. Cordesman, William H. Faltysek and Warren Kayes.

CINCINNATI 2, OHIO—420 E. Fourth Street, Tel. Parkway 2140. Chas. P. Woods, Sales Director; George C. Roeding, Associate Manager; George E. Wohlgemuth, News Editor; Roy Rosengren, Statistician.

DALLAS 1, TEXAS—708 Employers Insurance Bldg., Tel. Prospect 1127. Alfred E. Cadis, Southwest Manager.

DETROIT 26, MICH.—1102 Lafayette Bldg., Tel. Woodward 3-2826. A. J. Edwards, Resident Manager.

Executive Editor: Levering Cartwright.
Production Manager: Robert J. Lynch.
Teletype CG-654



KANSAS CITY 6, MO.—605 Columbia Bank Bldg., Tel. Victor 9157. William J. Geisinger, Resident Manager.

MINNEAPOLIS 2, MINN.—558 Northwestern Bank Bldg., Tel. Main 5417. Howard J. Meyer, Resident Manager.

NEW YORK 38, N. Y.—99 John Street, Room 1103, Tel. Beckman 3-3958. Ralph E. Richman, Vice-Pres.; J. T. Curtin, Resident Manager.

Howard J. Burridge, President.
Louis H. Martin, Vice-President.
Joseph H. Head, Secretary.
John Z. Herschede, Treasurer.
420 E. Fourth St., Cincinnati 2, Ohio.

OMAHA 2, NEBR.—610 Keeline Bldg., Tel. Atlantic 3416. Richard F. Black, Resident Manager.

PHILADELPHIA 9, PA.—123 S. Broad Street, Room 1127, Tel. Pennypacker 5-3706. E. Fredrikson, Resident Manager.

PITTSBURGH 22, PA.—503 Columbia Bldg., Tel. Court 1-2494.

SAN FRANCISCO 4, CAL.—507 Flatiron Bldg., Tel. Exbrook 2-3054. F. W. Bland, Pacific Coast Manager.

ussions capacity in the \$25,000-a-year post until 1954, when he would have to run for election to a 20-year term.

Life insurance executives attending the 1953 executive program in business administration of the Columbia University school of business being conducted at Arden House, Harriman, N. Y., are Ely H. Ferguson, 2nd vice-president of Equitable Society; Jeremiah W. O'Connor, 2nd vice-president of John Hancock; and Alexander Query, associate general counsel of Prudential.

DEATHS

JUDGE HOMER W. BATSON, 69, former president and chairman of the board of Commonwealth Life, died at his home in Louisville. He once had served as Jefferson county (Ky.) circuit judge and was a director and general counsel for Commonwealth for three decades. He started law practice after graduation in 1900 and was admitted to practice before the U. S. Supreme Court in 1910. He also had been a director of Louisville Collegiate school.

WILLIAM A. KILLEMEYER, 42, tabulating department manager of Knights of Pittsburgh, died after a lingering illness.

CHARLES S. WALKER, SR., 63, district manager for Life & Casualty at Monroe, La., died at his home following a heart attack. He was a past president of Monroe Assn. of Life Underwriters.

ALVIN C. RAINES, SR., who retired as director of agents for Century Life a month ago, died at his home in Dallas. Mr. Raines entered the business in 1919. He joined Great Southern Life in 1924, and became manager for Reserve Loan Life at Dallas in 1943. He had been director of agents for Century since 1949.

J. C. DOBBINS, 44, district manager for Durham Life at Charlotte, N. C., died at his home there.

Des Moines C.L.U. Elects

H. H. Holt, Aetna Life, has been elected president of Des Moines C.L.U. chapter. The new vice-president is Harold C. Myhre, Northwestern Mutual Life, and the secretary is George Pease, Equitable Life of Iowa.

33 Industry Men to Lead Seminars at A.M.A. Meeting

More than 2,000 business executives from all parts of the country, including 33 insurance men who will lead seminars, are expected to participate in the 20-week fall program to be conducted by American Management Assn.

From Aug. 10 of this year to Jan. 27, 1954, 130 educational seminars dealing with 86 specific management problems will take place. Most of the meetings will be at A.M.A.'s management center, 330 West 42nd street, New York; others will be at the Palmer House, Chicago, and the Statler hotel, Detroit.

The seminars will fall into two categories: Workshop, discussion groups for exchange of information and experience; and orientation, for instruction, practice, or review in a particular management subject. The orientation seminar, a new development this year, is for executives seeking short meetings of an instructional nature.

Life insurance men who will lead seminars in their field include: J. Joseph Bates, chief group underwriter Prudential, and Steven D. Williams, secretary group department Connecticut General Life. Leaders of non-industry seminars include: Herman Knauss, planning director Mutual Life; N. R. H. Moor, superintendent home office services department, Connecticut General Life; Bennett B. Murdock, senior methods analyst Prudential; Edgar T. Speer, methods analyst Prudential, and Lawrence J. Burtis, Connecticut General Life.

E. W. Kohut Aetna Manager

Emil W. Kohut has been appointed manager of the newly established Hempstead branch of the Gilbert Austin (Brooklyn) agency of Aetna Life. The office is at 137 North Franklin street. Mr. Kohut has been with the agency four years, most recently as supervisor. Before that he was in the plastics business.

Lincoln Assn. Elects Bodie

Lincoln (Neb.) Assn. of Life Underwriters has elected Fred E. Bodie, Jr., Connecticut Mutual Life, president. Elmer Aksamit, assistant manager Metropolitan, is the new vice-president, and Gilbert Duling, general agent

Lincoln National Life, is secretary-treasurer. Harry T. Thorpe, outgoing secretary-treasurer, was elected secretary emeritus.

Myers, V.P.-Comptroller of Aetna Group, to Retire

Rawdon W. Myers, vice-president and comptroller of the Aetna Life group, will retire Oct. 1 after 45 years with the company.

He went with Aetna Casualty in 1908 to organize the company's burglary department and was named assistant secretary in 1911 and secretary in 1914. In 1924 he was promoted to vice-president of the companies and in 1929 was named vice-president and comptroller. He became a director of Standard Fire in 1948.

Lutheran Mutual Agents Elect

Underwriters Assn. of Lutheran Mutual Life, at its biennial convention at Waterloo, Ia., elected H. A. Seifert, Mendota, Ill., president; Herold J. A. Lueders, Detroit, vice-president, and

S. J. Harke, Toledo, secretary-treasurer.

Speakers included Francis L. Merritt, vice-president and agency director Central Life of Iowa, and John O. Todd, Northwestern Mutual at Chicago.

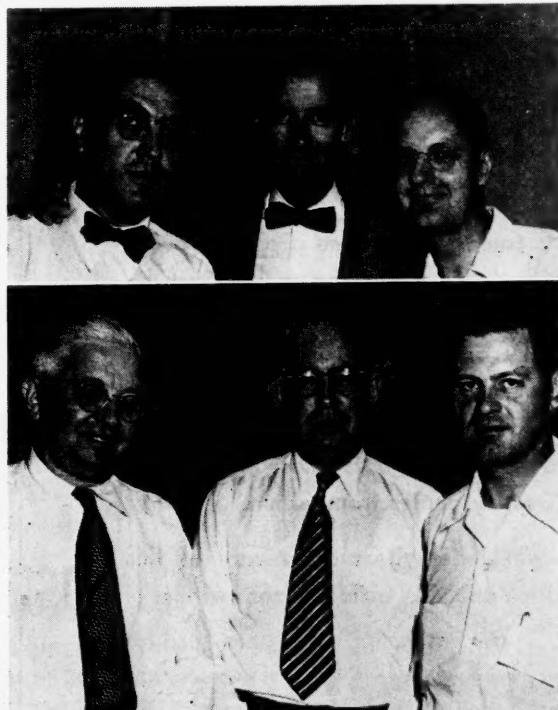
Rhode Island Agents Elect

Rhode Island Assn. of Life Underwriters, at its annual meeting at Providence, elected Paul O'M. Connly, Northwestern Mutual, Providence, president; John M. Allen, Providence, 1st vice-president; Charles W. Paige, Massachusetts Mutual Life, Providence, 2nd vice-president, and John J. Power, Union Mutual Life, Providence, secretary-treasurer.

Miami Managers Elect

Miami General Agents & Managers Assn. has elected Arthur W. Olson, Mutual Life, president; George N. Charuhas, Fidelity Mutual Life, vice-president, and W. C. Middleton, secretary-treasurer.

Participants and guests at American Life Convention life officers investment seminar, above from left, Julian D. Anthony, president Columbian Mutual Life, immediate past convention financial section chairman; George T. Conklin, Jr., 2nd vice-president Guardian Life, financial section vice-chairman; and Charles F. Nettleship, Jr., secretary Colonial Life, a former financial section chairman. Below, from left, Elmer Schumus, vice-president and cashier 1st National Bank of Chicago; Leo D. Cavanaugh, president Federal Life of Chicago; and Verne Ogren, Federal Life's new investment analyst.



THE ACID TEST



The Central Standard Life Insurance Company, in its almost a half-century of sound insurance practices, has successfully met the challenge of a half dozen wars and depressions, and after each of them has emerged larger and stronger.

a neighborly company

CENTRAL STANDARD LIFE

Founded 1905

211 W. Wacker Drive

Chicago 6

Sales Ideas and Suggestions

ROUND TABLE MEETING

Three Younger MDRT Qualifiers Show How Mastery of Facts Boosts Effectiveness

WHITE SULPHUR SPRINGS—Persuading a client to revise his spending habits, even to the extent of selling his second car; blasting objections to bits instead of using the "yes, but" maneuver; showing the prospect with facts and figures that he'd better stay

away from stocks or mutual funds until he has really adequate life insurance—these were some of the things that a trio of outstanding younger Million Dollar Round Table qualifiers told about at the first session of the annual meeting of the M.D.R.T. here at the

Greenbrier.

E. L. Leonard, New York Life, Winston-Salem, N.C., said that up to six years ago he was a religious user of the "yes, but" system of bypassing objections. But he was also making only one sale for each 10 calls. Analyzing his record, he found that in the sales he made he was accidentally killing off the objection instead of trying to walk around it. Most of the time the objection is that the prospect has some substitute for life insurance that he thinks is better.

"In my direct attack on objections," he said, "I have one deadly factor on my side: the fact that there is absolutely no substitute for properly planned life insurance. Therefore, when a prospect tells me why he doesn't want life insurance or why he hasn't bought it and tries to show me the plan he is using instead of life insurance, I automatically gain a great advantage over him. I know that he is wrong. I also know that if I am ever to sell him life insurance I must show him that he is wrong by directing the full power of my sales attack on his objection. I have also found that most people, especially business and professional people, will listen to logical reasoning."

As a result, the prospect becomes less confident about his substitute plan and more interested in the insurance method. It then becomes a matter of properly illustrating the manner in which the life insurance plan will solve the particular problem.

So as to be in a position to blast any objection that comes along, Mr. Leonard assiduously reads life insurance publications—home office bulletins, magazines, or any other material on life insurance or any other related fields, such as taxes and estate planning. He files such material under the various objections it will help defeat. When he gets acquainted with a prospect, he reviews the objection-killers that will probably be needed. Mr. Leonard thus develops greater "firepower" and gains added confidence.

Gerald F. Weber, Connecticut General, Los Angeles, said he began to get 100% cooperation from prospects and clients just as soon as he gained a strong enough conviction that they should follow all his recommendations.

Mr. Weber said all interviews are conducted in his office, including initial contacts and meetings with attorneys and accountants. The client's wife has to be in on all interviews unless they are purely routine and no major decision is to be reached.

Mr. Weber said his clients do all his prospecting for him—among a very selective group—because he believes they should and because they accept his belief.

"Today, with the exception of two or three young men who are comers," he said, "I do not accept any new client unless his net income before taxes is at least \$25,000 per year."

"After the client sets his financial goal I make a complete analysis of his financial affairs. I go over every detail of his personal spending habits and tell him where he is spending too much or too little. If he is spending too much for amusement I get him to

agree to cut down on his amusement costs; too much on clothes, to cut down on clothes. If he can afford only one car, or his home is too expensive, I get him either to sell or agree to cut way down on some other item of his budget in order to compensate."

Indicating his belief that every client should save at least 25% of his net income before taxes, not including any costs of providing shelter for the family, Mr. Weber said: "Every client begins to save not less than that as soon as he starts working with me."

An agent can create a client's desire to save now, he said, by talking about the possibility of taking away in the future some of the comforts he is now enjoying.

In discussing planned financial living, Mr. Weber emphasized his belief that no one should move ahead in his late hearing standard of living without building up to the sound foundation so that no matter what happens to earned income, he and his family can go on living on the "Make same basis they have been accustomed to and not have to make drastic changes in the necessities and luxuries many visitors they have learned to enjoy."

"I have found," he said, "that a much of client and his wife will desire the same willed by luxuries when he reaches retirement as they do now."

"After working out a spending plan for current income, including savings figures," Mr. Weber continued, "I use it as a guide to stimulate the client's thinking toward financial security and retirement."

At this point, he said, the client can follow the recommendations, or he can walk out of the office still under no obligation. Only two prospects have declined the complete program in the last 18 months, however.

All programs Mr. Weber establishes are subject to annual review, he said, crediting better than 50% of all his new business to additional needs uncovered in these reviews.

Michael P. Coyle, Phoenix Mutual, New York City, gave the facts and figures he uses to offset what he termed the deliberate misrepresentations some of the more progressive mutual fund salesmen are making in bragging up their product, and in some cases inducing people to cash in life insurance policies so as to invest in mutual funds.

Mr. Coyle said an examination of mutual fund sales literature reveals that the funds show the investor what an investment of \$10,000 in 1943 would have amounted to in 1953.

"This, of course, is due to superior management," he said. "As a matter of fact, you could have bought in 1943 \$10,000 worth of horse-feathers and done equally as well if not better. The average guy who received a vacate notice from his landlord in 1943 and was thus forced into buying a house for \$8,000 or \$10,000 turns out in his modest fashion to be a financial wizard. His property values are now somewhere between \$25,000 and \$30,000, and this without the help of professional supervision."

"Another mutual fund graph demonstrates a 15-year record starting in 1938 and finishing in 1952. They didn't dare show the record starting in 1937

'Destiny Is Not About Thee, But Within Thee'

This proverb could well become a part of every life underwriters' philosophy. The underwriter who plans his work—develops good prospecting habits—continually adds to his knowledge of the business—and has a personal conviction of the purpose and benefits of life insurance, will find success and happiness in his chosen profession and that "Destiny comes from within."

Beneficial Life Underwriters are aware of this important fact and are building from within.

BENEFICIAL LIFE INSURANCE COMPANY

David O. McKay, President

Salt Lake City, Utah

Prospects-Agents want it!!! ILLINOIS MUTUAL has it . . . HOSPITAL INDEMNIFYING PLAN!

Offer your prospects a unique Hospital-Surgical policy that shows exact benefits in the hospital . . . exact amount paid for surgical work performed. Wide choice of plans offered, with varying premiums and benefits. Makes an attractive selling point. Over 43 years offering Accident, Sickness, Hospital, Surgical, and Medical Expense Insurance exclusively.

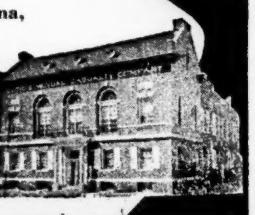
Desirable agency openings in Illinois, Indiana, Michigan, Minnesota, Missouri, Ohio and Wisconsin. Agents inquiries invited . . . no obligation.

Illinois Mutual Casualty Co.

(non assessable)

HOME OFFICE: 411 LIBERTY ST. PEORIA, ILL.
E. A. McCORD
President

C. C. INMAN
Executive Vice President



because the
year alone
wasn't un-
the buyer
His talk
what he
saled con-
or June 5
Royall F
ual, Wins
ession.

Troubl
Contes
or Ag

Looking
inated w
urance co
how Per
Accide
points up
coverage t
Mr. Mor

vision pro
ing, Mr. We
that no one
should move
in his late he
standard of li
sound founda
so that no mat
what happens
he moment
and his famili
can go on li
the "Make
same basis th
they have be
accustomed
to and not ha
make drast
publicatio
changes in th
many visito
they have lea
show with

the TV scr
Other m
for current i
including sa
figures," Mr.
use people i
that as a gu
thinking tow
financial secur
and retireme

At this poi
he client ca
follow the re
recommendat
or he can wa
walk out of t
still under no
obligation. O
two prospec
have declin
the complet
program in t
last 18 mont
however.

All progra
Mr. Weber e
are subject t
annual revie
he said, credi
better than 50
of all his ne
new busines
uncovered in
these reviews.

Michael P. C
Phoenix Mu
New York Ci
Life Manag
putting at
concluding d
was Thoma
Life, associ
livan, Fidel
man, assiste
Mutual, an
Prize for lo
ment went
hitect G
gross.

Low net St
State Mutua
Mr. Sulliva
Continental As
the New Yo
James Mac
Life, being

Knight A
The Chai
Union Cent
its annua
Country Clu
was golf, s
playing dur
cocktail ho
Barton, pre
toastmaster
Doughtery,
was on han

because the value of the fund in that year alone shrank almost 40% and it wasn't until eight long years after that the buyer was finally breaking even." His talk was an amplification of what he said at the recent Newark sales congress. His material was reported in THE NATIONAL UNDERWRITER for June 5 on pages 19-20. Royal R. Brown, Northwestern Mutual, Winston-Salem, presided at this session.

Troubles of Quiz Show Contestants Set Stage for Agent's Approach

Looking in on the lives of less fortunate people, a visit which is terminated with the statement, "Life insurance could have prevented this," is how Perry B. Morris, North American Accident at Atlanta, graphically points up the need for this type of coverage to his prospects.

Mr. Morris makes use of the television program "Strike It Rich," a belief now in which money winners usually end in his late heart-breaking stories as a tickling act to the microphone. A ready-made percentage for the approach has been set up, the moment the TV set is switched off. On the "Make 'em Cry" is Mr. Morris' custom motto, and he says in his company's publication, the NAAIC Fieldman, that luxuries many visitors to his house receive the show with tears in their eyes and "that much of their sales resistance has been wailed by the time he adds his own lament to the tragedies revealed on the TV screen.

Other methods used by Mr. Morris include making prospects out of the "I use people in his neighborhood with whom client's he and his wife trade. He avoids the city and chain grocery store in preference for the small independent shop, where he can have the opportunity to get on more intimate terms with the proprietor. By organizing a boys' baseball team, Mr. Morris got to know the parents of the players. In effect, Mr. Morris says, the members of the team sold him to their parents and by the time he got around to introducing himself to "Mom" and "Dad" he had the reputation of a "great guy."

N.Y. City Life Managers Hold Annual Outing

NEW YORK—The New York City Life Managers Assn. held its annual outing at the Plandome Golf Club, concluding with a dinner. Toastmaster was Thomas L. O'Hara, Metropolitan Life, association president. Arthur Sullivan, Fidelity Mutual, general chairman, assisted by Timothy Foley, State Mutual, announced the various awards. Prize for low gross in the golf tournament went to Robert E. Hyatt, Connecticut General. Lewis C. Sprague, Provident Mutual, won second low gross.

Low net went to Gerald H. Young, State Mutual, second low net going to Mr. Sullivan. Harold N. Sloane, Continental Assurance, new president of the New York City Life Underwriters Assn., won the hole-in-one contest. James MacGrath, Jr., United States Life, being the runner-up.

Knight Agency Outing

The Charles B. Knight agency of Union Central in New York City held its annual outing at the Bonnie Briar Country Club, Larchmont, N. Y. There was golf, softball, swimming, and card-playing during the day, followed by a cocktail hour and dinner. Charles N. Barton, president of the agency, was toastmaster at the dinner. Edward A. Doughtery, vice-president and actuary, was on hand from the home office.

National Travelers Answers California "Ad" Citation

National Travelers of Des Moines, accused by Commissioner Maloney of violations of the California code in respect to advertising matter used by it, has filed with the Los Angeles office of the California department its notice of defense to the charges and asked for a hearing.

In the notice of the defense the company holds that the department is not vested with jurisdiction or authority

in connection with advertising matter used by admitted insurers; objects to the jurisdiction of the department of professional and vocational standards under the administrative code procedure and says the accusation does not set forth acts of malfeasance, misfeasance or nonfeasance.

It also contends there has been no misrepresentation or fraud practiced by the company in its advertising and that, directly or indirectly, it had received the sanction and approval of the commissioner.

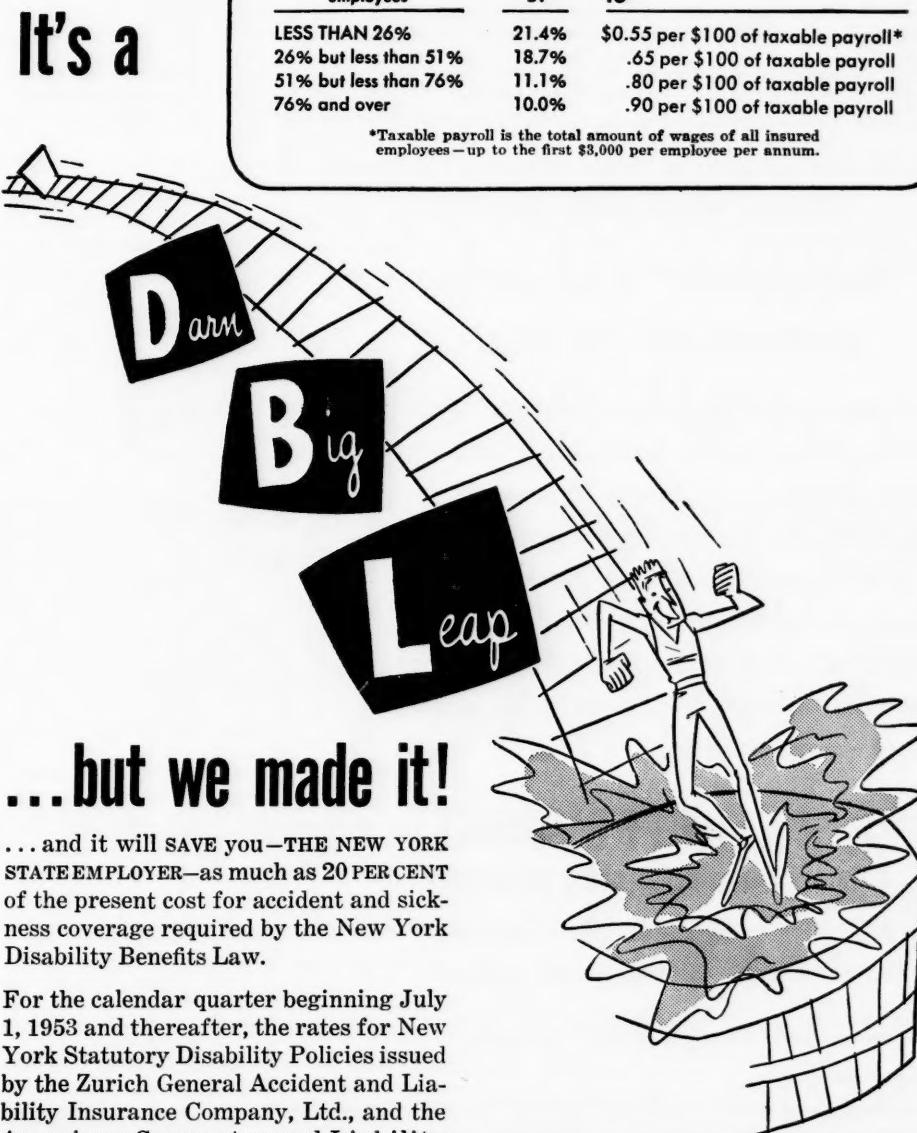
Has New Estate Builder

New England Mutual has introduced a junior estate builder on the life pay to age 85 plan. It provides a level death benefit until the policy anniversary nearest age 21, increasing to a level death benefit five times as large as the initial amount. Premiums are level throughout.

The minimum policy issued will be for \$1,000 juvenile insurance amount. The maximum will be \$40,000 juvenile insurance amount, which increases to \$200,000 at full protection date.

Numerical Percentage of insured female employees	RATE REDUCED BY	TO
LESS THAN 26%	21.4%	\$0.55 per \$100 of taxable payroll*
26% but less than 51%	18.7%	.65 per \$100 of taxable payroll
51% but less than 76%	11.1%	.80 per \$100 of taxable payroll
76% and over	10.0%	.90 per \$100 of taxable payroll

*Taxable payroll is the total amount of wages of all insured employees — up to the first \$3,000 per employee per annum.



...but we made it!

...and it will SAVE you—THE NEW YORK STATE EMPLOYER—as much as 20 PER CENT of the present cost for accident and sickness coverage required by the New York Disability Benefits Law.

For the calendar quarter beginning July 1, 1953 and thereafter, the rates for New York Statutory Disability Policies issued by the Zurich General Accident and Liability Insurance Company, Ltd., and the American Guarantee and Liability Insurance Company will be reduced according to the schedule shown above.



NEW YORK
55 John Street
WORTH 4-1600

ALBANY
90 State Street
ALBANY 6-22910

BUFFALO
126 Pearl Street
MOHAWK 0300

ZURICH GENERAL ACCIDENT AND LIABILITY INSURANCE COMPANY, LTD.
AMERICAN GUARANTEE AND LIABILITY INSURANCE COMPANY
ZURICH LIFE INSURANCE COMPANY
135 South La Salle Street, Chicago 3, Illinois

This reduction will apply to all ZURICH-AMERICAN Statutory Policies now in effect and to all statutory policies issued on or after July 1, 1953.

Watch your mail for details... official notification is being sent to all ZURICH-AMERICAN D. B. L. policyholders... rates and facts are available to all agents and brokers upon request.

Elect Callahan President at Record A. & H. Meeting

(CONTINUED FROM PAGE 1)
that the International association could not be used as a sounding board for any company or person in a strictly outside matter. Mr. Wessman's comments were greeted with cheers, and the agents voted unanimously to strike Mr. Stone's remarks from the record. (A summary of Mr. Stone's statement, as released by him to THE NATIONAL UNDERWRITER, will be found elsewhere in this issue.)

Earl Montgomery, Moore, Case, Lyman & Hubbard, president of the Chicago association, presided at the luncheon. The head table group consisted of the local officers and most of the morning speakers, all of whom were asked to take a bow.

Earle Bennett, Provident L. & A., Tampa, presented John Galloway with

a fancy Florida shirt, as has been done with the most recent two or three outgoing presidents. Mr. Montgomery was given two fountain pens from the Chicago association by Harold Bredburg, National Service & Appraisal.

Dr. Napoleon Hill, the lecturer and writer on business success, who is now associated with W. Clement Stone of Combined, gave the talk at the luncheon Tuesday and described four principles of salesmanship. He listed these as definiteness of purpose, masterminding with other people's brains and contacts, going the extra mile in service, and using applied faith.

As to definiteness of purpose, he said the agent should establish a definite quota of sales for each month. He suggested that the agent get himself contacts who can refer him to prospective buyers, and on the score of service, he suggested doing more than is expected and with a pleasing mental

attitude.

No man can make a success in insurance, he declared, unless he conditions his mind to believe he will sell successfully. Dr. Hill said there is no other single factor in selling as important as the ability to back definiteness of purpose with the magic of belief.

Representatives of eight trade associations presented an outline of their separate functions before a sweltering audience Tuesday morning. Thomas Callahan, the newly elected president, made the introductions.

John P. Hanna, managing director of H. & A. Underwriters Conference, describing his organization, said one of the main objectives is to find a means by which the companies can provide sound and economical insurance. The conference works with state legislatures, insurance commissioners, doctors, hospitals and labor unions; and with the agents both through the Disability Insurance Joint Coordinating Committee and directly in such activities as DISC.

Agents are no longer just selling policies, Mr. Hanna said. They are now part of the voluntary system of insurance and have to sell that idea as well. This can be done by giving a good explanation of coverage, by rendering service, and by underwriting in the field so the companies can stay on the risks.

An outline of the work of Bureau of A. & H. Underwriters was given by its general manager, J. F. Follmann, Jr. He noted that the bureau was formed in 1891 as International Assn. of Accident Underwriters, and it is now the second oldest existing insurance association being exceeded in age only by the National Board.

"Since its formation, the bureau has been one of the most constructive forces in the development of A. & H. insurance in America," Mr. Follmann declared. He said the bureau has been responsible over the years for appreciable broadening of policy coverage, clarification of policy language, improvement in techniques, development and acceptance of sound regulatory measures, and a general lifting of the standards of A. & H. insurance.

The work of Insurance Economics Society was related by its managing director, E. H. O'Connor, who said his organization has concentrated since it was reactivated in 1942 on combatting government encroachment in insurance. Since 1945, he reported, there have been more than 200 bills introduced in 26 states advocating compulsory disability insurance, and only last year 30 were introduced in 11 states.

Travis T. Wallace, president of Great American Reserve of Dallas, representing Life Insurance Agency Management Assn., remarked that this organization is different in that it specializes in only one field—sales. The problem of agent compensation is getting close study, he said, since it has been shown that the average agent makes more in his first year than any other, and often more in the first quarter than any other. There is a problem of financing, and there is a need for research and scientific study of distribution. Mr. Wallace stressed the value to a life man of selling A. & H. giving an example from his own company studies. A man selling \$8,000 of life premiums in one year, he said, will ultimately make about \$6,800 on that business, presuming a good renewal ratio. But a man doing \$7,000 in A. & H. premiums will ultimately get about \$14,000.

"That proves,

in my book," he observed, "that a life man who doesn't sell A. & H. is a plain damn fool."

American Life Convention was represented by Ralph Kastner, its general counsel, and National Assn. of Insurance Agents by C. M. Verbiest, Detroit chairman of the casualty committee sub-committee on A. & H.

William A. North, New York Life, Chicago, chairman of the disability insurance committee of National Assn. of Life Underwriters, said his group is working as closely as possible with the International. He praised John Galloway, president, Carl Ernst, past president and board chairman, and William Coursey, managing director, for their cooperation. N.A.L.U., he added, felt that the A. & H. agents had worked out an excellent educational program in DISC, and the life people decided to use that rather than organizing one of their own and creating a division of interest.

About half of the N.A.L.U. local bodies have set up disability committees. Mr. North said, where there were none a year ago. In his report as outgoing chairman on A. & H., he said he is recommending that N.A.L.U. continue to build local disability committees, and that the programs on A. & H. include non-life men.

James Andrews, Jr., Life Insurance Assn. of America, reported on that organization and on Health Insurance Council, making especial reference to hospital admissions programs, group and individual.

Attendance slumped Tuesday afternoon in proportion to the temperature rise for the session billed as "A. & H. Industry Cooperation" that led off with presentation of awards to top members of the Leading Producers Round Table

*MINNESOTA *NORTH DAKOTA *SOUTH DAKOTA *MONTANA
*OREGON *WASHINGTON *IDAHO

"PROVIDENT" CAN MEAN SOMETHING TO YOU!

Webster's dictionary says it means "making provision for the future." The Provident can provide your future for you. If you feel you are not getting the opportunities to which you are entitled, let us tell you how our company works night and day in an effort to make its field men more successful; and how it helps its agents make more money.



THE PROVIDENT LIFE INSURANCE COMPANY

Bismarck, North Dakota

JOSEPH DICKMAN, Vice President

Life - Accident - Health - Hospitalization - Annuities - Pension Trust

*These are the Provident States.

ASSISTANT SUPERINTENDENT OF AGENTS for GROWING COMPANY

- IF YOU HAVE:** Had successful experience in personal selling, recruiting, and supervision.
- IF YOU CAN:** Recruit and train, supervise the activities of Managers and Agents in Life and Accident and Health Insurance.
- IF YOU WANT:** A bright future with a Company that has a planned recruiting and Agency development program with a complete kit of Life and Accident and Health selling tools.

Send details of your experience and ability to
Spencer R. Keare, Superintendent of Agents

Federal Life Insurance Company

168 North Michigan Avenue, Chicago 1, Illinois



At Chicago rally of A. & H. agents group: Frank E. Wells, Los Angeles, and his wife, Nadine Filler Wells, who represents Connecticut General Life; William H. Legler, Loyalty group, Minneapolis; B. E. Scott of St. Paul and Carl Ernst, North American Life & Casualty, St. Paul, a past president of the association.

July 3, 1953

and inclu

members

Also o

was a rev

tion activ

DISC by C

uality, Ind

ley, Secur

Earle Ben

rectory pr

Kinnon, M

Mich.

Four sin

Monday m

afternoon

cupied. Th

special ris

premium

ment, and

were meet

catastrophe

capital insu

and their

and nearly

The only

at which

Wadsworth

the Unit

was intro

Loyalty g

man. Mr. V

association

and repres

major Ch

writing co

said does

in excess o

A repor

progress t

had so far

loway, th

Galloway,

& Accide

ed 35,15

two provi

He mem

set out to

members

number o

88 to 97 a

were form

members w

are now th

He men

ability ins

the Intern

steps in th

Mr. Ga

words on

Associati

principles

abused its

members

today can

coverage

is a depl

agents wo

we did no

as agents

labor uni

are at wor

We have l

ing social

ment enc

asleep to s

impel ou

He sugge

a goal of

year 1953-

The In

pace with

business, V

reco

out that n

eral years

4,500, ha

greatest pa

ing on r

entering t

plained.

However

men are d

3. 1953

and included recognition of sustaining members of the International.

Also offered the baking delegates was a review of International association activities, brief discussions of DISC by Charles E. Ray, Hoosier Casualty, Indianapolis, and Louis C. Halley, Security Life & Accident, Denver. Earle Bennett, Provident L. & A., Tampa, outlined the "Choose the Plan" directory program, with Leonard McKinnon, McKinnon & Mooney, Flint, Mich.

Four simultaneous panel discussions Monday morning and five more in the afternoon kept the delegates fully occupied. The morning session covered special risks, commercial and monthly premium coverages, agency management, and group. In the afternoon there were meetings on non-cancellable and catastrophe coverage, franchise, agency advertising, underwriting, and hospital insurance. The panel members and their moderators numbered 60, and nearly all were well attended.

The only break was for the luncheon at which the speaker was James J. Wadsworth, deputy U.S. ambassador to the United Nations. Mr. Wadsworth was introduced by I. G. Wessman, Loyalty group, convention co-chairman. Mr. Wessman also introduced the association leaders at the head table and representatives of nearly all the major Chicago and Illinois A. & H. writing companies, a group which he said does an annual premium volume in excess of \$1½ billion.

A report on the greatest year of progress the International Assn. has had so far was given by John G. Galloway, the retiring president. Mr. Galloway, who is with Provident Life & Accident at Birmingham, Ala., traveled 35,158 miles last year in addressing associations in 30 states and the two provinces of Canada.

He mentioned that the association set out to achieve a 35% increase in members and almost made it. The number of associations went up from 88 to 97 and six new state associations were formed. More than 1,000 new members were put on, and the finances are now the best in history.

He mentioned the success of the disability insurance sales course, and said the International should take larger steps in the field of training agents.

Mr. Galloway had some outspoken words on group insurance, saying: "Association group has violated the principles of sound underwriting and abused its premises of service. Some members of the medical profession today can pyramid association group coverage in 11 different groups. This is a deplorable situation and we as agents would be amiss in our duty if we did not take cognizance of it. We as agents must be alert to the trends of labor unions and other agencies that are at work to put us out of business. We have been concentrating on fighting socialized medicine and government encroachment, and have been asleep to some of the other forces that imperil our rights of franchise."

He suggested that the association set a goal of 10,000 in membership for the year 1953-1954.

The International Assn. has kept pace with the growth of the A. & H. business, W. G. Coursey, managing director, remarked in his talk, pointing out that membership, which for several years has been between 3,500 and 4,500, has now jumped to 5,600. The greatest part of this is due to the signing on of many life men who are now entering the A. & H. field, he explained.

However, he added, a lot of the life men are dubious about A. & H., and



At the Chicago A. & H. agents meeting: George S. Lenzen and his father, Verdi F. Lenzen, both of whom are with Mutual Benefit H. & A. at Cedar Rapids, Ia.; Paul M. Klein, Mid-America agency, Kansas City; A. J. Schmidt, All-American Casualty, Chicago; C. Z. Hanor of Retail Credit Co., and Billedward Howland of Mutual Benefit H. & A.

"we must continually keep in mind during the coming year that our market for new members is composed

almost entirely of men who have doubts about the A. & H. business, and it is our duty to convince them that we have nearly 600 companies who do a fine job of serving the public as contrasted to a handful who do a poor job."

The by now well known talk on "Penetrating Oil" was given by R. L. McMillon, Business Men's Assurance, Abilene, Tex. This is an inspirational address, putting the emphasis on human relation techniques, so that the salesman can keep his business and become a career man. A large part of

the talk is illustrated with props which are effectively used to demonstrate the points.

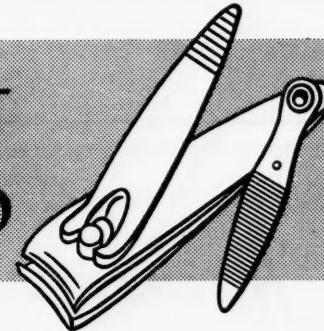
In a separate meeting, there was a panel on why women's divisions should be organized.

Harry A. Vaughan and R. J. Thain of Vaughan, Thain & Spencer, Chicago,

(CONTINUED ON PAGE 19)

Like Provident Life Plans . . .

**DESIGNED TO FIT
A SPECIFIC NEED**



Whether it's nail clippers or life insurance, the product will sell if it's designed to meet a specific need. That's why more and more Provident life insurance is being sold—because the line includes a plan to fill every life insurance need. And the Provident Life Producer finds that these sales fill two needs—the insurance requirements of the prospect and the financial needs of the producer.

The financial rewards include a liberal scale of first-year commissions, nine renewals, service fees, a persistency bonus, group insurance, and a non-contributory pension plan.

PROVIDENT LIFE & ACCIDENT INSURANCE COMPANY
Chattanooga - Since 1887

LIFE ACCIDENT SICKNESS HOSPITAL SURGICAL MEDICAL

Shown at the International Assn. of A. & H. Underwriters . Chicago conclave:

Above, Mrs. A. D. Anderson, Mrs. Billie Carroll, whose husband is with Occidental Life at Dallas, and A. D. Anderson, Occidental Life, San Antonio. Mr. Anderson is president of the San Antonio association and past president of the Chicago group.

Below, Kenneth Mersereau, Monarch Life, Baltimore, a board member, Mrs. Mersereau, and E. H. O'Connor, managing director of Insurance Economics Society.



Elect Allen at Denver

John T. Allen, Jr., Kansas City Life, has been elected president of Denver Assn. of Life Underwriters, succeeding Edward G. Robertson, II, Prudential. Carleton F. Bowman, Minnesota Life, is the new vice-president and Gerard J. Smith, Phoenix Mutual, is secretary. On the day of its election meeting the association attained its membership goal of 316.

Pass Pa. Fraternal Bill

HARRISBURG, PA.—Both houses of the Pennsylvania legislature have passed the bill requiring fraternal benefit societies to include on their contracts the term "a fraternal benefit society." Another section of the bill would allow allocation of excess insurance funds to the general fund of the society up to 5% of annual contributions to the mortuary fund exclusive of any receipts for disability or double indemnity.



Attending the Chicago A. & H. agents meeting: John T. Flood, Continental Casualty, and Mrs. Flood; Mrs. McCullough and Frank McCullough of Continental, and Mr. and Mrs. Albert H. Wohlers. Mr. Wohlers, who is with Youngberg-Carlson of Chicago, was co-chairman of the convention.

Clement Stone Gives Cal. Commissioner Fits

(CONTINUED FROM PAGE 3)

ance in California has embarked on a program that is authoritarian, totalitarian, and arbitrary through a pattern of attempting to ruin company by company, individual by individual, with the thought in mind that the individual or average company will not join with others to fight his methods until that individual or company is personally attacked, and thus over a period of years, inflict his philosophy to the detriment of the people. I ask you, is it possible—I believe it is.

"My printed instructional manuals which John R. Maloney accuses of being artful, cunning, tricky, deceiving, misleading and fraudulent, begin sowing the seed of philosophy to accomplish its purpose on page 1 from which I shall quote:

"Success in all fields of endeavor has been assisted by the employment of prayer. Regardless of one's beliefs, prayer from a psychological viewpoint, is beneficial in crystallizing one's ideas towards an objective, and develops a stimulating internal force.

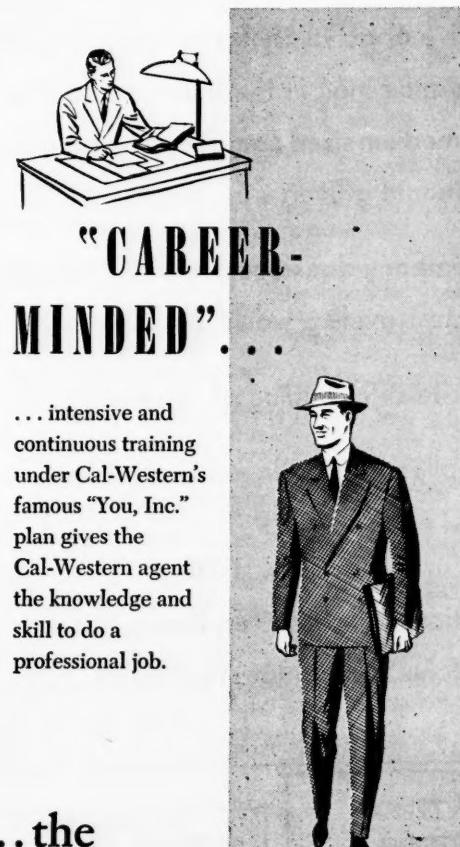
To thank the Divine Power at the end of a good day has never harmed anyone—to ask the Divine Power for assistance towards success has helped many. If you want to get results—try a prayer!"

"With this thought in mind, I close with thanking the Divine Power for all the blessings that I have received, and to pray that those in power in the insurance department of California and elsewhere, who can do so much good, who can render a service to the cause of progress and civilization do not counterbalance and stultify the excellencies of their good work through fanatical, aggressive pursuit of ideologies that look right to them but are wrong and harmful to the nation."

Crotty Leaves Department

Wilbur Crotty, an examiner in the Michigan department since 1941, has resigned.

- Joseph F. Cullinan, Jr., New York tobacco executive and partner in a stock exchange firm, has been elected a director of Companion Life of New York.



"CAREER-MINDED"...

... intensive and continuous training under Cal-Western's famous "You, Inc." plan gives the Cal-Western agent the knowledge and skill to do a professional job.

... the
Cal-Western Agent is a
CREDIT to his profession

... and yours!

CALIFORNIA-WESTERN STATES LIFE INSURANCE COMPANY
HOME OFFICE: SACRAMENTO

Social Security Aftermath of Waco Tornado Is Told

Among the 115 persons killed May 11 in the tornado that swept across downtown Waco, Tex., at least 70 were insured on the basis of their earnings under social security, and payments to their survivors may total \$1 million, Mrs. Oveta Culp Hobby, Secretary of Health, Education and Welfare, announced. Victims included many children and housewives who were not insured as wage-earners. The fact that 60% of all those killed were insured indicates the extent to which a typical

community is now covered by federal old-age and survivors insurance, she said. OASI is now covering four out of five of the mothers and children in the country, in case the bread-winner should die under any circumstances.

The Waco social security office, only six blocks from the heart of the disaster area, has processed most of the claims from survivors, and has reported that benefit checks have already been received by many of the families.

The release notes the situation of the Cristina Romo family. Romo, a 36-year-old produce house worker, was killed on the job. At home was

his wife with seven children under age 11. Another child is expected this month. This family had no private insurance, was completely dependent upon Romo's current earnings. Monthly payments to the family are \$144.80 and allowing for life expectancy factors, payments to the Romo family may exceed \$35,000.

Great Commonwealth, Ark., to Become Jackson Life

Great Commonwealth Life of Little Rock has been purchased by a group of east Arkansas and Memphis business men. The name of the company will be changed to Jackson Life and its headquarters moved to Memphis.

Organized at Little Rock in 1937, Great Commonwealth has been inactive recently, though some policies still are in force. Following reorganization, Jackson Life will have authorized capital stock of \$5 million and paid in capital and surplus of \$500,000. It will operate in Tennessee and Arkansas.

Harold Ohlendorf, an Osceola banker, has been named president of Jackson Life. Other members of the purchasing group are A. J. and G. H. Florida, Memphis bankers; B. Frank Williams, Osceola planter; Joel Montgomery, Memphis builder, and Lawrence Primm, Blytheville accountant. G. H. Florida will be chairman.

ing of group trends and practices by both member companies and in the industry, and concisely edited material for busy company executives directly connected with group A. & H.

The service will be edited by Robert MacDonald and Bruce Gifford of the conference staff.

McElwraith Heads N.Y. Life South Pacific Division

G. Thomas McElwraith, field vice-president of the southeastern division of New York Life, has been placed in charge of the new business mainly created southalloway Pacific division with headquarters at Los Angeles. On the

The new divisional Assn. will be a unitary Sun of the Pacific sponsored gion, under the overall direction of Dudley S. Bates recently promoted to regional vice-chairman. The sounainment i

Pacific division will include branches in Hollywood, Long Beach, Los Angeles, Pasadena and San Diego.

Mr. McElwraith joined New York Life in 1934 as an agent at Los Angeles. In 1937 he was made assistant manager of the southern California branch, and in 1942 manager at Long Beach.

Three years later Mr. McElwraith went to Memphis as manager, in 1950 became manager at Baltimore, and later that year was placed in charge at Atlanta. In 1952 he was promoted to superintendent of agents leading A. in the home office and in 1953 to vice-president.

Drive Half Again Better

The 1953 June anniversary campaign of the industrial department of Commonwealth Life bettered last year's effort by over 54%. The annual one-week campaign produced more than \$5 million and 13,500 applications.

Banghart to St. Paul

James M. Banghart, formerly supervisor at San Francisco for New England Mutual, has been appointed manager at St. Paul, succeeding Donald O. McLellan, general agent there who has resigned to devote full time to personal production as associate general agent. Mr. Banghart is a veteran.



James M. Banghart

Philadelphia CLU's Elect

Philadelphia C.L.U. chapter has elected Nathan C. Barr, manager Prudential, president. M. Roos Wallis, general agent Equitable Life of Iowa, is the new vice-president, and Ad Seitz, Equitable Society, is secretary-treasurer.

Indiana A. & H. Assn. Elects

New officers of Indiana A. & H. Assn. are: President, J. E. Whittington, manager Monarch Life; vice-president, Mrs. Mildred Saunders, North American Accident, and secretary-treasurer, R. W. Osler, vice-president Rough Notes Co.

Elect Stuart, Moon, Horton

Charlotte (N. C.) General Agents & Managers Assn. has elected J. E. Stuart, Liberty Life, president, succeeding E. W. Lakin, Phoenix Mutual Life. Other new officers are Larry H. Moon, Life & Casualty, vice-president, and E. L. Horton, secretary-treasurer.

New Group A. & H. Bulletin

"Group Briefs", a new monthly news bulletin, has been launched as a further extension of the information service offered by H. & A. Underwriters Conference to member companies. Going to more than 250 executives on the total conference roster of 200 companies, it aims at wider understand-

CLU's Elect at Columbus

New president of Columbus, Ohio, C.L.U. chapter is Franklin T. Phillips. Floyd Turner, brother, is vice-president, and Robert Bradley, New York Life, secretary.

Bankers, Neb., Record

Bankers Life of Nebraska completed its most successful five-week anniversary campaign this month with a total production of \$10,522,225 of new business. Leading agency in volume was leading Philadelphia, and leading producer was A. B. McGuire, Omaha.

Two Join Old American

Old American of Kansas City has appointed Martin J. Britain director of the operating department and Maxwell C. Ross director of advertising.

Mr. Britain, who joined the company from Federal Life & Casualty, will be in charge of records and collection. Mr. Ross goes with Old American from Look Magazine.

Name Belgrano to the Board

Occidental Life of California has appointed Frank N. Belgrano, Jr., to the board. He was a director from 1931-47. Mr. Belgrano is chairman and president of Transamerica Corp. which controls Occidental.

• Allen Harper, securities vice-president of Pacific Mutual, addressed Southern California Mortgage Bankers Assn. at Los Angeles on the recent sharp increases in yields from corporate bonds and the extent to which these changes have made mortgage loans less attractive to the institution investor.

• The Loventhal general agency, following a change of 40%, staged an open house at new quarters at 1910 Church street.

WANT ADS

Rates—\$15 per inch per insertion—1 inch minimum. Limit—40 words per inch. Deadline 5 P. M. Friday in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER—LIFE EDITION

WANTED: A SENIOR OFFICER

Attractive opportunity for an experienced life insurance man in the home office of a strong, medium sized company which needs an additional officer.

Company does country-wide business and some traveling would be involved.

Write brief outline of experience.

Replies treated in strict confidence.

Box No. T-30

National Underwriter, Room 1103

99 John Street, New York 38, N. Y.

ACCOUNTING SUPERVISOR

Home office of Chicago insurance company has an exceptional opportunity for a young man in a responsible position. Must have accounting and some I.B.M. experience. Salary open. Replies confidential. Address T-36, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

SURVEY EXPERT

Philadelphia's fastest growing large agency offers real opportunity for commercial account survey specialist. Must be high calibre; experienced; ambitious. Advancement commensurate with results. Salary: bonus; employee benefit program. Write fully, stating education, experience and other qualifications to Box T-34, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

WANTED COMPANY EXECUTIVE WITH PROVEN PRODUCTION ABILITY

Mutual Life Company operating North Central state requires services of experienced H. O. executive capable of assuming full responsibility for production of Life, A & H and Hospitalization. Future plans make some experience in Fire and Casualty operations desirable. Salary open and incentive plan available. Write Box T-40, The National Underwriter, 175 West Jackson Blvd., Chicago 4, Illinois, giving complete information regarding experience, education, and age. All replies confidential.

WANT ACCIDENT, SICKNESS AND NON-CANCELABLE GENERAL AGENCY IN INDIANAPOLIS

A m. C. L. U. Have general agency for life insurance and general insurance agency in my own office. Address T-41, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

Select Callahan President At Record A. & H. Meeting

(CONTINUED FROM PAGE 15)

described the association magazine, and Earl Montgomery and Leo Packard, Packard-Carson agency, Milwaukee, gave short talks on how to improve local association activities. The session was closed with a message from V. J. Skutt, president of Mutual Benefit H. & A., on why companies should support the International.

On Wednesday morning was the business meeting and election with Mr. Galloway presiding.

On the entertainment side, Continental Assurance sponsored a cocktail party Sunday evening, Provident L.A. Pacific sponsored a cocktail affair Tuesday evening in honor of Mr. Galloway, and Bankers Life & Casualty sponsored the entertainment at the banquet that night. Tuesday morning 95 ladies showed up for a breakfast and entertainment in their behalf.

The executive board met Saturday and Sunday to discuss activities and go. Many plans to prepare for expansion.

Highlights included: Plans to render services to a hoped-for 10,000 members in the coming year. The board voted to establish every possible aid, in 1950 encourage local associations, to more, Mount interesting programs throughout the year and voted to establish a speakers bureau which will list the leading A. & H. speakers. During the coming year, each zone chairman will have as his primary purpose the building of memberships in his area, and it will be a main objective to establish a strong state association in each state. A definite manual procedure for this purpose will be prepared by officers of strong state associations already in existence.

The International has prepared a manual of program suggestions which will be issued to all local associations for their guidance.

It is anticipated that 40 DISC schools with a total will be conducted in the coming year. The new board voted to establish the Leading Producers Round Table as a leading association project. This year, more than 300 people qualified for the award. It is anticipated that through an expanding publicity program during the following year, more than 1,000 producers will qualify. Every effort will be made to obtain company cooperation in this venture.

The board voted to make every effort to continue improvement of its magazine, and reiterated that the objective of the magazine is to serve as the official voice of the association, and to weld its membership more closely together.

John Galloway, Provident L. & A., Birmingham, the retiring president of the International, was guest of honor at a cocktail party and buffet dinner at the home of Mr. and Mrs. Roy A. MacDonald Monday evening that was attended by 18 persons. Mr. MacDonald, who is director of company relations of H. & A. Underwriters Conference, gave the party on behalf of that organization.

Delay City Group Cover

MUSKEGON, MICH.—Muskegon city commissioners have postponed closing a contract for group life coverage of 400 municipal employees following disagreements over rival bids for the business.

Commissioner Clarence Cloetingh ob-

jected to accepting Union Central Life's low bid chiefly, he said, because Commissioner Henry J. DeVette is a representative of that company. Commissioner DeVette said he does not handle group business and would not participate in the city contract commission.

There were other objections as to the relative merits of the 15 plans submitted by different insurers and Mayor Medendorp urged asking advice of an insurance consultant and was authorized to contract a Cleveland consultant.

Bearden Named New Chairman of M.D.R.T.

(CONTINUED FROM PAGE 1)

be possible to do it on such short notice. This is where insurance steps in.

Stock options have been catching on fast since 1945. From 1945 to 1950 the Treasury held that the spread between the price at which the executive had the right to buy the stock and the market price to which it had risen by the time he exercised his right constituted ordinary income. But the revenue act of 1950 provided that if the price at which the executive was privileged to buy the stock was at least 95% of the value at the time he was given the right, the spread would be taxed only as a capital gain, provided the option is exercised during employment or within three months afterward. The stock must be held at least six months after exercise of the option and at least two years after granting of the option. If the option price is less than 95% of market value as of the date the option is granted but is 85% or more, the difference between the option price and the increased market value, up to 100%, is regarded as ordinary income when the stock is bought but any appreciation above 100% is taxed as a capital gain.

Mr. Rothschild pointed out that what to do about exercising the option in case the executive should die first is a "very serious problem and few executives have given it enough thought." It is particularly serious because the added amount of estate value represented by the stock may well boost the estate into a tax bracket far higher than anyone concerned had even thought of. There is an added need for cash if the Treasury goes through with its indicated intention of taxing as ordinary income the spread between option price and actual purchase price when the option is exercised by the heirs rather than the executive.

Mr. Rothschild said that more than one-fourth of the companies listed on the New York Stock Exchange have stock option plans for their executives. Asked by Mr. Todd how to locate these firms, Mr. Rothschild said any company listed on the exchange must get approval of its directors for a stock option plan and it would be part of the proxy statement. Mr. Todd added that a recently published book written by Mr. Rothschild and William Casey contains the plans of 180 companies. It is published by Business Reports, Inc., of Roslyn, N. Y.

It was declared that an unlisted stock presents special problems because it is more difficult to establish its value and hence to prove that the option price is not more than 5% below the market value for a 95% plan or 15% below for an 85% plan.

Mr. Rothschild remarked that it would be desirable for closely held corporations with stock option plans to have a systematic program whereby the corporation would buy back the

stock of executives who died and then be in a position to sell it to other executives. Mr. Todd pointed out that this would open up an additional market for life insurance to supply the corporation with the money to buy back the stock.

Mr. Todd exhibited slides showing that a corporation can carry insurance against loss by premature death of key executives without risk of any cost if the premature death does not occur. The cost of the money used to pay premiums cannot be said to be the 10 to 20% that might ordinarily be earned on money invested in the business because, since life insurance cash values are always fully liquid, the most that can be charged against the money is what that money costs. During periods when the corporation has excess cash, the money costs nothing. In periods when the corporation must borrow, the cost of the money will be the net after taxes that must be paid and interest—a matter of from 1½% to 2%.

Mr. Ostheimer and Denis B. Maduro, New York City attorney and expert on estate and business insurance problems, discussed salary continuance plans, particularly the type under which a \$5,000 death benefit is deductible as a business expense to the employer but is not taxed as income to the employee's beneficiary. Mr. Maduro emphasized that it must be payable by reason of the employee's death. If it would have been coming to him or his beneficiary anyway, it isn't tax exempt. Suspecting that despite all the talk very few \$5,000 plans had been sold, Mr. Ostheimer asked for a show of hands. Twenty or 30 had sold at least one but only about half a dozen of those present had sold more than one.

Mr. Maduro spoke out feelingly against the "split dollar" plan under which a corporation pays for and keeps as an asset the cash value of a policy on a key man while the man has the protection, minus the cash value, for an outlay representing the difference between the premium and the reserve. Mr. Maduro said he is opposed to the philosophy that insurance costs too much and has to be paid for by dividing it up in this way. More important is the danger that the public and the internal revenue bureau will be encouraged to think of life insurance as something that can be split up into various components, whereas to protect its special tax status the policy should be considered as an integral bundle. Splitting the policy opens the way for the revenue bureau to contend that part of the proceeds of a policy should be taxed at death. There was vigorous applause as Mr. Maduro finished making this point.

Arch Patton, New York City management consultant, warned against using executive compensation plans as mere tax reduction schemes, without due regard for the practical effect as an incentive to the executive. Too often, he said, a plan favors the older executives, who are in the dominant position. It may mean little to the younger executive who might be better off getting the extra compensation in cash, even though he would have to pay most of it in income tax.

An innovation introduced at the Tuesday morning session was the "buzz session" system of eliciting questions. The audience was divided into groups of 10 or 12. Each group decided what question it wanted to ask each speaker. A committee sifted question cards and picked those having the widest interest. The plan proved a real time-saver.

Some of the other talks given at the M.D.R.T. meeting are reported elsewhere in this issue. Others will be reported in next week's edition.

The "room hopping" session will also be reported next week.

Lincoln National Files for Return of Tax Money

Lincoln National Life has filed a suit at Springfield, Ill., seeking to prevent the state from transferring or using \$20,976 paid as privilege tax for Reliance Life. Defendants are Insurance Director Barrett and Elmer J. Hoffman, state treasurer.

Lincoln National has reinsured Reliance, which formerly operated in Illinois. Lincoln National continues to operate in Illinois and the suit says the company has paid over \$99,000 for its own privilege tax for the coming year. However, the suit charges, while Reliance remains in existence as a corporation to expedite liquidation of its affairs, the company has actually done no business since the first of the year.

Since the tax on out-of-state companies is based on business for the approaching year, and since Reliance will do no business in the coming year, the tax is unfair and should be refunded, the petition holds.

Philadelphia Opposes \$2 Rise in NALU Dues

(CONTINUED FROM PAGE 1)

state levels. If state associations do not handle state legislation and do not develop their smaller locals, what purpose do they serve?

5. The pamphlet presents little if anything the average member will interpret as a compelling reason for increased dues.

6. The managing director of N.A.L.U. has resigned. Who the successor may be and what concepts of the job his experience will develop, remain to be seen. Delay accordingly in the matter of a dues increase seems the part of good judgment. To again repeat: N.A.L.U. faces no emergency.

7. Admittedly, however, the margin of income over expenses presently possible may impose an economy of operation that is unduly restrictive. Some increase in N.A.L.U. revenue may be immediately in order.

Syracuse Elects Shopiro

SYRACUSE—Donald E. Shopiro, Mutual Benefit Life, was elected president of the Syracuse Life Underwriters Association at the annual meeting. Other officers are Evan N. Conklin, Equitable of Iowa, vice-president; Grace V. McCrea, Farmers & Traders, executive secretary and treasurer (re-elected); Wallace E. Grosh, Metropolitan Life, secretary; Frederic T. Cook, Prudential, Martin E. Quinn, Connecticut Mutual, directors; John W. Brooks, Northwestern Mutual, state delegate, and Robert S. O'Neill, Continental American, national delegate.

Bryant Is Flint President

Floyd W. Bryant, Mutual Benefit H. & A., was elected president of the Flint (Mich.) Assn. of A. & H. Underwriters. Vice-president is John R. Burke; secretary-treasurer, Mrs. Helen Patterson. Ralph C. Clem, A. A. Frary, Thomas R. Little and A. R. Mason are directors.

Prudential Appoints Clark

Prudential has appointed Harold B. Clark district manager at Baltimore, succeeding Luther C. Dapp, who transfers to the home office. Mr. Clark has been with the company since 1932.



Enjoying guest night at American Life Convention life officers investment seminar, from left, Ralph H. Kastner, general counsel; Lee N. Parker, administrative vice-president; Alfred N. Guertin, actuary; T. A. Sick, convention president and president Security Mutual Life of Nebraska; Robert L. Hogg, executive vice-president and general counsel; Wayne L. Packard, vice-president and treasurer Security Mutual Life of Nebraska; W. Lee Shield, associate general counsel and Merle F. Ryan, vice-president Old Line Life.

Late News Bulletins . . .

Franklin Life Capital Boosted 100%

Capital stock of Franklin Life was increased 100%, from \$3,468,750 to \$6,937,500, at a special directors' meeting this week. The increase will be effected by a transfer from surplus.

At the same meeting, the following were elected directors: Lewis Striebeck, comptroller, and W. L. Dugger, resident vice-president in Texas.

Aetna Life Names Pursell to Succeed Schriver

Aetna Life has appointed Lambert O. Pursell general agent at Peoria, Ill., succeeding Lester O. Schriver, who becomes general agent emeritus after 25 years as general agent there. Mr. Pursell, associate general agent at Peoria since last year, joined the company at Reading, W. Va., in 1937. His move to Peoria followed an agency assistant post in the home office. Mr. Schriver is a past president National Assn. of Life Underwriters, and holder of two consecutive Freedom Foundation awards.

Zurich Cuts New York D.B.L. Rates

Zurich has reduced rates on New York statutory disability cover from 10 to 20%. In making the announcement the company commented on the favorable experience and savings in simplified accounting and claim settlement procedures plus slight savings in production cost allowances. The reductions were effective July 1.

Commissioner Taylor of Oregon Reappointed

Robert B. Taylor has been reappointed as Oregon insurance commissioner.

Hood Advanced by Hoosier Farm Bureau Life

James R. Hood has been named secretary of Hoosier Farm Bureau Life. Mr. Hood has been with the company since 1946, serving first as hospitalization supervisor and then as planning manager. A naval veteran of World War II, he was recalled for a tour of duty in 1951. He at one time was with Ben Hur Life.

To Host N.F.C. Delegates at Barbecue

Delegates to the National Fraternal Congress in Dallas will be guests at a barbecue Sept. 15 given by Praetorians, Slavonic Benevolent Order and Sons of Hermann, three N.F.C. members domiciled in Texas. Scene will be the Praetorians young center and the affair is advertised as picnic style to guide delegates in dress.

FREDERICK G. SCHWARTZ, associate manager of the Equitable Society group department, died suddenly at his summer home in Breezy Point, Queens, L. I. He was 53. Mr. Schwartz started with the company in 1915 and became associate group manager in 1942.

Heads New Brokerage Unit

Connecticut General Life has named Ross H. Fletcher manager for the new brokerage office at Seattle. He was formerly manager at Edmonton for a Canadian life company. The company has also appointed Marvin H. Pope group manager there.

Chooses Site for '54 Agents' Rally

Pacific Mutual Life already has selected the site for its 1954 Top-Star Conference. It will be held at Macki-

nac Island, Mich., shortly after the close of the contest year June 15.

This year's Top-Star rally is scheduled for White Sulphur Springs Aug. 23.

Signs Wis. Investment Bill

MADISON, WIS.—Governor Kohler has signed into law the measure permitting domestic insurance companies to increase from 5% to 10% of admitted assets the amount invested in securities which are not specifically designated under the statutes.

Blasts Detractors of Conn. Insurers on Taxation Score

John A. North, president of Phoenix of Hartford, in addressing the annual meeting of Hartford Chamber of Commerce, told about the community asset that the insurance business comprises in Hartford. He said the Connecticut chartered companies paid to the state treasury in 1953 direct taxes in excess of \$4,100,000 and he observed that this is a denial to those who have suggested that the companies are the recipients of a subsidy. These companies are the heaviest taxed in all the land. In spite of the fact that some relief has been afforded under a tax program commencing in 1945, the Connecticut companies are still the most heavily taxed in the country. The object of the program has been gradually to adjust the taxes of the Connecticut companies so that in the end they will be taxed on a par with companies of other states. The Connecticut companies must be able to compare favorably with companies of other states in the elements of service and costs, and the state tax burden must be kept somewhere near the national level. The program for revising the tax burden gradually has been on a non-partisan basis until this year when it got projected into partisan politics.

The main basis of the attack was that the insurers should not be afforded relief at a time when the sales tax and the net income tax on corporations were being increased. The fact is, he said, that the insurance companies' level of taxation is so far above that of other corporations that even with the slight relief afforded, the taxes on Connecticut companies are still out of line. He referred to the fact that it was suggested that the Connecticut companies should pay the regular corporate net income tax on top of the premium and investment income taxes. This would amount to three income taxes. The Connecticut insurers would welcome a plan of taxation on a basis comparable with other corporations. On such a basis the Connecticut companies would have paid only about \$1 million this year.

He pointed out that insurance companies are not moving into Connecticut despite the fact that this is an otherwise natural place for them. The last of the five life insurance companies of

Connecticut was started in 1865. In addition to the investment income tax that is saddled on state chartered companies alone, they also pay an income tax on premiums that grows as business grows.

No other state in the country has demanded so much in the way of taxes from its home insurance companies. A few weeks ago Wisconsin with lighter taxes on domestic companies reduced these taxes to equalize the burden without out-of-state competition. He said the antagonists are misinformed.

Insurer Advertising Listed for July

Following is the national advertising which life companies have reported for July issues of the publications listed. Where no date is indicated the publication is a monthly magazine.

Connecticut General—Harvard Business Review, July 1; Newsweek, July 20.

John Hancock—Life, July 27; Newsweek, July 6; Saturday Evening Post, July 11; U. S. News & World Report, July 2, 31.

Massachusetts Mutual—Saturday Evening Post, July 18; Time, July 7.

Metropolitan Life—American Magazine; Business Week, July 4; Collier's, July 4; Cosmopolitan; Forbes, July 1; Good Housekeeping; Ladies' Home Journal; McCall's; National Geographic; Newsweek, July 6; Saturday Evening Post, July 25; Time, July 20; U. S. News & World Report, July 24; Woman's Home Companion.

Mutual Benefit—Saturday Evening Post, July 18; Scholastic Magazine, July 8, 22.

Mutual of New York—Life, July 13; Newsweek, July 13; Saturday Evening Post, July 18; Time, July 13.

National Life of Vermont—New Yorker, July 18; Time, July 27.

New York Life—Business Week, July 11; Collier's, July 18; Country Gentleman; Ladies' Home Journal; Life, July 13; Newsweek, July 6; Successful Farming; Time, July 27; U. S. News & World Report, July 31.

Penn Mutual—Saturday Evening Post, July 4.

Phoenix Mutual—American Home News, New York Times, July 12; Life, July 20.

William Elliott, president of Philadelphia Life, has been elected a director of Aero Service Corp., Philadelphia, which specializes in topographical surveys and aerial mosaics.

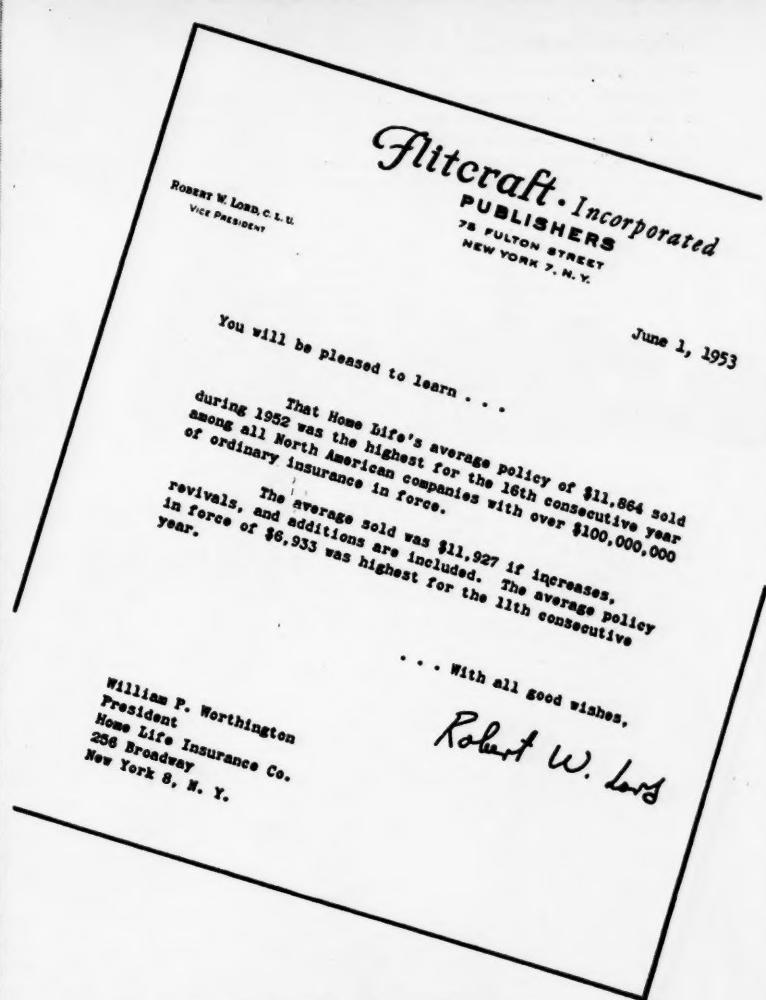
How much is 'enough'?

THIS year, as for more than a decade, Home Life has received notification that its average size policy (both new and in force) is outstanding in the industry.

While we are proud of this record, we are aware that a high average policy is not an end in itself. It is rather a by-product of the outstanding job done by Home Life Field Underwriters in offering Planned Estates Service to their clients.

The Institute of Life Insurance recently pointed out that although income during the past ten years has risen 129%, life insurance ownership has shown a gain of only 78%. The average family is buying more life insurance than ever before—but still not enough to replace the income needed today when death or retirement stops the income producer's earnings.

To all of us, as professional life underwriters, this represents a challenge—even a responsibility—to see that our next client owns "enough" life insurance to meet his needs.



AVERAGE NEW POLICY—\$11,864

AVERAGE IN FORCE—\$6,933

HOME LIFE INSURANCE CO.

256 Broadway, New York, N. Y.

"A Career Underwriters' Company"

W. J. Cameron,
Chairman of the Board
W. P. Worthington,
President

J. F. Walsh,
Vice Pres. & Mgr. of Agencies



1741
The original building,
begun in 1732,
completed in 1741.



1753
First tower completed.
East wing completed 1735-36,
West wing 1739,
Connecting archways 1743.



1776
As it looked during the
Revolution with wooden
sheds at each end to house
visiting Indian delegations.



Independence Hall . . .

Symbol of America's Priceless Heritage

The appearance of Independence Hall has been changed many times since it was begun as the Pennsylvania State House in 1732. Of more importance, it has become a world symbol of Independence with a significance far greater than its original concept. Here the Declaration of Independence was adopted on July 4, 1776, giving political independence to all Americans.

1847
*As it looked when The Penn Mutual was founded.
City Hall (left) completed 1790,
County Building (right) 1789.
Tower rebuilt in 1823.*



1781
*Sketch of rear of building,
after removal of tower
as safety measure.*



As American as your right to achieve Financial Independence

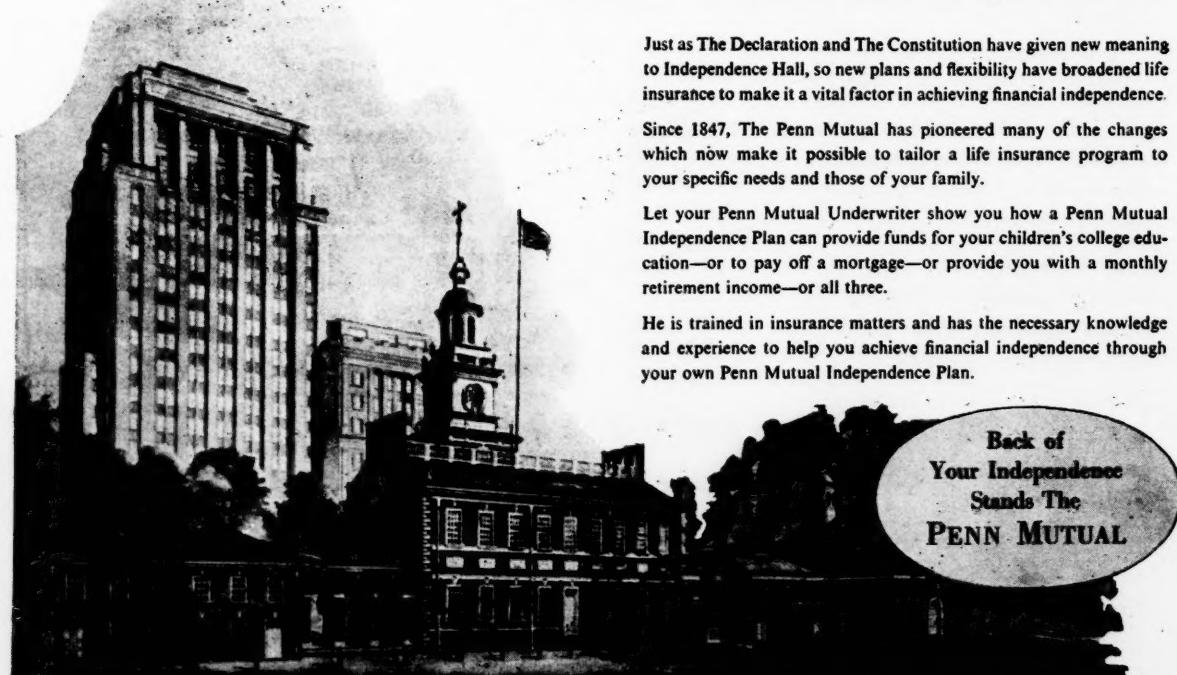
Just as The Declaration and The Constitution have given new meaning to Independence Hall, so new plans and flexibility have broadened life insurance to make it a vital factor in achieving financial independence.

Since 1847, The Penn Mutual has pioneered many of the changes which now make it possible to tailor a life insurance program to your specific needs and those of your family.

Let your Penn Mutual Underwriter show you how a Penn Mutual Independence Plan can provide funds for your children's college education—or to pay off a mortgage—or provide you with a monthly retirement income—or all three.

He is trained in insurance matters and has the necessary knowledge and experience to help you achieve financial independence through your own Penn Mutual Independence Plan.

Back of
Your Independence
Stands The
PENN MUTUAL



THE PENN MUTUAL LIFE INSURANCE COMPANY • INDEPENDENCE SQUARE, PHILADELPHIA

PENN MUTUAL BUSINESS IS SOLD ONLY BY PENN MUTUAL CAREER UNDERWRITERS